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PRIME MINISTER

TRANSCRIPT OF SEPARATE INTERVIEWS WITH CHANNEL NINE AND ABC TV, HARRY WOODS' ELECTORATE OFFICE, GRAFTON 16 AUGUST 1990

E & OE - PROOF ONLY

JOURNALIST: There is a growing amount of concern from overseas countries this morning that Australia and the US should stay out of the Gulf crisis. What's your reaction to that?

PM: It is also the case that there is a growing support for the decision of those countries to go in. As I said the other day, and I repeat it to your viewers, there is a paradox about this decision for me. It was the most serious one I have had to take as Prime Minister but it was also, in the end, a very easy one because the principles are clear. We hope that there is no conflict, no armed conflict. But if there is one lesson the world should learn from this century it is this, from that disastrous decade of the We had the unmeasurable tragedy of the Second thirties. World War for two reasons. One was the tyranny of the Axis powers and the evil of them. There was also the second condition and that was the appeasers. And without the second the first couldn't have produced the tragedy of the Second World War. The lesson of that is burnt into my mind. And if we believe therefore in the principle of the rights of independent nations to be free and to be free from naked aggression from their neighbours - and it is no good just saying that we believe that - we have to be prepared even at some risk to back up our beliefs with action.

JOURNALIST: How then do you view the criticism from Gough Whitlam saying that perhaps your decision has been a little bit too rash?

PM: Well Gough seems to be entering a phase now of gratuitous advice to Government. He has been telling us recently how to run the economy which led one of his previous staffers to ring us up and saying having Mr Whitlam giving advice on how to run the economy is like having Nero giving advice about firefighting. Now it was a fair comment, one of which he would have been proud himself I think. Now Gough is entitled to his views but he showed as Prime Minister that he wasn't, let me say, incapable of error at times. I respect Gough Whitlam but on this issue I think he is wrong. The important thing is this, that we have made a decision now which involves a limited role for our ships. It involves four functions as it has been spelt out - identification, contact, interrogation and warning to any ships and not at this stage the question of interdiction. Now we have got some 18 or 19 days before the ships are actually in the zone. There will be a lot of discussion and consultation between now and then and hopefully before then the matter will be resolved. That's my greatest hope that Saddam Hussein will see the stupidity of his decision and that the best interests of the Iraqi people are served by withdrawing. That's the best outcome. But if he hasn't done that then we've made it clear as a Cabinet that if there are changed circumstances between now and then which would require some enhanced role for the most effective presence of our forces then we would consider that as a Cabinet and make the decision if necessary. The role that we have decided on is one which the United States understands and regards as the valuable contribution I believe it is.

JOURNALIST: Prime Minister as you know a couple of political commentators have criticised the haste with which you committed the ships to the Gulf. What's your immediate reaction to that?

Well it wasn't hasty. I mean there is a perception in PM: some quarters that I got a ring from George Bush on the Friday morning and made my decision on the basis of that call. Of course this is a totally erroneous perception. This matter had been raised much earlier in the week in Washington. There had been serious discussion there then discussion by me with Ministers and others and it was a very There was no ill haste in it. considered decision. I've said that it was a paradox in the sense it is the most serious decision that I have had to take as Prime Minister but, in the end, it was a relatively easy decision because the principles were clear.

JOURNALIST: It has been said that part of the criticism has come about because the ground rules even for confrontation weren't even laid down before the ships were committed.

PM: Well this again is an ill- thought through analysis and objection. Let me say why I have that view and I am not objecting to criticism but at least when it's made people should understand the inadequacy of their analysis. We have a situation where it takes from the time the ships left Sydney about 22 days to get to the Gulf region. We made it clear in our discussions with the Americans that there were matters of detail and important matters of detail that had to be decided and they understand that. We've got plenty of The Navy understands that and are involved time to do that. deeply in the discussions obviously. And by the time our vessels arrive there their role and their relationship with others will be established crystal clearly. What we've made clear at this time out of discussions with the Americans that the role initially will be seen as what we have identified as four things - that's identification, this is in regard to shipping in the region, identification, contact, interrogation and warning and not at this stage

interdiction. But the Cabinet made it clear that if in the processes of consultation that are going on now before the ships get there, if it becomes clear that some enlarged role would be appropriate then the Cabinet would consider that.

JOURNALIST: So our men won't be boarding ships?

PM: Well at this stage no. And that is understood by the United States and is regarded, the role that I am talking about is regarded by the United States as a very useful role. When I refer to the United States it is not well you tell us what to do and that will be OK but the facts are that they are the major naval force and will be the major naval force in the area and obviously it's sensible you talk with them. And they regard that role as important. But I repeat, if it's appropriate for more to be done then Cabinet will consider that.

JOURNALIST: Cabinet ratified the decision though one commentator who I am sure you have read has criticised the fact that Cabinet didn't make the decision.

PM: Well let me make it clear that I consulted the members of the Security Committee, that is all, Neal Blewett was overseas so I couldn't contact him, but all the Ministers that I contacted were members of the Security Committee. That Security Committee doesn't usurp Cabinet but what I am saying is that that Security Committee has to take a range of decisions that are very very significant for this country. I had no doubt what the sense of Cabinet was because you will recall that earlier we had had discussion about sanctions. I had no doubt at all what the sense of Cabinet was and the fact that I had no doubt about the sense of Cabinet was reflected that when we did go to Cabinet this week there was endorsement of what I did.

JOURNALIST: Is your preferred option for our men to be under UN control?

PM: Yes we have made it clear and indeed let it be understood the United States has said they would prefer a situation where there was the blue cover of the United Nations. But let me make this important point that my reading of the situation and perhaps more importantly than that the advice of our relevant departments is that we have legal sanction, legal cover for what we are doing through the combination of the provisions of Section 51 of the UN Charter together with the letter that I had from the Emir of Kuwait.

JOURNALIST: Do we push on regardless of getting that UN protection?

PM: Well we do two things. What we'll be doing is to be part of a series of processes which will try and get a UN decision because from every point of view it would be desirable if you could have that as well. But yes we will go on because there is legal sanction for what we are doing. I mean history shows you that you don't hang around and condone aggression by inaction. Kuwait today, Saudi Arabia tomorrow. Who next? And if the thirties tell us anything they tell us the disastrous nature of that concept.

JOURNALIST: Does it annoy you that Gough Whitlam has become involved again as he has done over the last couple of months in other issues?

PM: Doesn't annoy me. It seems reasonably difficult for ex-prime ministers to retire gracefully. The pre-eminent exponent of that, of course, was Robert Menzies. Once he went out he left it to others. But Gough, as I have just said recently, seems to be entering a phase of gratuitous advice on a range of subjects. No I don't object to that. I simply, I got a little bit of amusement out of one of his former staffers ringing in when he was giving us the economic advice the other day and that former member of his staff said to have Gough Whitlam giving a government advice on how to run the economy is like asking Nero for advice on firefighting techniques.

JOURNALIST: On the economy the Coalition yesterday adopted consumption tax as policy. What's your reaction to that?

PM: Well the reaction is in two parts. I was fascinated by the reports of their meeting and the deep divisions within the conservative parties on this issue, the reported remark of Wilson Tuckey that this was an act of collective political suicide. So there is great and deep division within the conservative parties as well there might be. which leads me to the second point. There was an argument earlier in the 80s when we looked at it but we have so transformed and widened the tax base no_{iv} that the very obvious disadvantages far outweigh any perceived advantages.

JOURNALIST: Is Mr Tuckey right, is it political suicide? Can a political party in Australia win an election promising a new tax?

PM: You need to make this point in regard to that question, no election is ever decided in my judgement on one issue. This one issue won't be the single issue that the electors of the next election will have in their mind as to who should govern them next. But I do say this that by the time we go into the next election I have no doubt at all that on this issue it will be a political minus for the Opposition.

JOURNALIST: Overnight or yesterday BP and Caltex told the inquiry into petrol pricing that they were going to seek compensation as a result of the petrol freeze. Will you consider that?

PM: We have the processes and tribunals where they can go and put their arguments on this.

JOURNALIST: Will you consider compensation though?

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PM: No what I'm saying is that there is a tribunal that they go to and make their arguments. It is for those tribunals to make their decisions about whether they have established an argument and what pricing level should come out of that and I will allow those processes to take their course.

JOURNALIST: Finally there was a report today that Mrs Kirner might come to you seeking extra funding for Victoria to help her out of the position that Victoria is now in since she has just taken over the premiership. Can you see yourself giving Victoria any more money over and above the Commonwealth grants?

PM: Mrs Kirner came to see me yesterday and I had quite a long meeting with Mrs Kirner, and Mr White and Mr Roper, two of her important economic ministers, they didn't ask for additional assistance. They discussed certain issues with us and as is appropriately within our power and areas of responsibilities to do things which may be helpful, we will. But that does not involve the giving of additional assistance.

JOURNALIST: Can you elaborate on what those issues are?

PM: I could but it's not appropriate that I do.

JOURNALIST: Do you think she is going to be able to pull Victoria out of it?

PM: I think she can. It would be stupid for me to say yes she is right they are going to achieve all they want to do and win the next election. But I think they can.

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