



PRIME MINISTER

TRANSCRIPT OF JOINT NEWS CONFERENCE WITH THE HON KIM
BEAZLEY, MINISTER FOR TRANSPORT AND COMMUNICATIONS,
PARLIAMENT HOUSE - 8 NOVEMBER 1990

E & OE - PROOF ONLY

PM: I'll just make a few comments and then be available for question. I think in this area of telecommunications perhaps more than any other industry illustrates the commitment of this Government, because there's no doubt it's the industry of the 21st century and it's quite clearly one that's going to boom in our region. The decisions that we've taken are going to have a very considerable impact on the Australian economy as they'll first make our own domestic telecommunication industry significantly more efficient and that in turn must have a beneficial effect on all of our industries. It will certainly equip us to compete internationally for business in this very rapidly expanding market. It will encourage investment in a clever country industry and without question is going to bring massive private capital investment and its associated technical expertise into Australia. I think it's beyond argument that the changes that are involved in what I've announced today represent the most substantial reform to any industry in the history of this country. The benefits for consumers that will flow from the changes that have been announced are significant and numerous. It's anticipated, as I said in the Statement, there'll be an up to forty percent reduction in STD prices on major trunk routes. There'll be the most rapid possible access to new technologies, their choice of telephone company, with better service quality and a quicker response for telephone repair. Overall, what it will mean will be a greater choice for Australian consumers. Now obviously what we've had to announce in telecommunications is the most important of the announcements that we've made. And I think it is significant to understand the range of the areas of the economy that have been covered in the Statement as well as telecommunications which permeates the whole of our economy. We've announced the development of reforms in the aviation industry, rail, road and developments in the waterfront in the shipping area. So you can see that here is a further delivery by the Government of reform, which when you strip all the jargon away which is associated with some of these discussions, simply means as I said in the Parliament that the Government is delivering on reform which will mean better, more efficient, cheaper services for consumers and

will create the infrastructure which will enable Australian industry to be more competitive and more efficient. Kim, do you want to say anything ...?

BEAZLEY: I'd just add a few things to what the Prime Minister's had to say particularly in the telecommunications area. You have a fairly good explanation before you I think in the book. But I think on any objective test that the implementation of these reforms would see probably the most competitive telecommunications industry anywhere. There are enormous barriers to entry for competitors in the telecommunications industry and what this has done is to address those barriers to introduce a competitor, it has done a great deal more than that. There is a very substantial liberalisation in the area of the establishment of private networks and because of that unlimited resale option. With an immediate lifting of the limitations on that in the area of common interest group network resale. There is as many competitors in the cellular mobile area as the technology will efficiently take, as Austel has talked about, with the provision for a review on that in 1995 if technologies tell us that more can be done in that area. And in the area of cordless telephones there is unlimited licensing provision associated with it. There isn't any country that in practical terms permits this level of competition across the board. Go to the United States local loop they are still monopolies. You go to Japan and they talk about tier two carriers - where there's competition in Japan a tier two carrier is a private network, what we would mean by a private network. This is the most, in practical terms, the most competitive set of arrangements. In New Zealand they've privatised Telecom but there is no capacity, there's no legal, there's no system which brings into play equal access and the price arrangements associated with that. So that until that happens competition is meaningless and that is so for a number of other areas which are ostensibly deregulated. I think there really is a requirement to get a detailed comprehension of this to understand the extent to which this is really a very substantial set of reforms.

JOURNALIST: Mr Beazley, what sort of consortium have you envisaged going into the third mobile licence and could they be foreign owned?

BEAZLEY: It's difficult at this stage to tell. I think the basic objective of the Government in all these areas, which was portrayed at the Federal Conference of the Labor Party, is to secure over time major Australian ownership. That would apply to the additional competitor in regard to cellular mobile licences as well as to the second entrant. What we're really going to establish over the next five or six months or so prior to the conclusion of the legislative process in Parliament which is when we're going to be able to go finally to tender, via a process of expressions of interest and then request for proposals, exactly what is the nature of the interest in the marketplace in what we are doing. And of course we will be watching very closely and

the sorts of bids that come in and the sorts of views that are expressed to us, and even more closely when we go into the tender phase, the capacity of would-be competitors to Australianise themselves and what are the cost penalties involved in Australianising themselves at a particular pace. So we, in this area, it is enormously complex. What we can do is give answers in way stations, if you like. This is a very big way station but I think you will see as you read this, there's an awful lot still being subject to review in order for us to establish clarity to move to the next phase. And we require more dialogue, I believe, with the people who are interested in this process before we could give definitive answers to that type of question.

JOURNALIST: ... two additional mobile phone licences and won't that have the impact of reducing the income stream for the potential competitor to Telecom and therefore reduce the potential for competition?

BEAZLEY: Two additional can be a little bit misleading. One of course will be held by the network competitor, so it's one on top of that. It has, yes it has a capacity to reduce the price of the competitor to the Government. There's no question of that, but there will be a load of other factors involved in making that calculation. The Department of Finance is currently going through the terms and conditions on which we ought to be selling Aussat and we'll be taking into account all these sorts of factors in arriving at what we would consider a reasonable reserve price so to speak. But on the other hand, as it simultaneously reduces the value in one sense of the competitor, it also of course creates another value in itself, and that's not being issued for free. And I would think that on the swings and roundabouts it would end up not to our disadvantage.

JOURNALIST: Do you have any idea what the impact of that and opening up resale will have on the value of Aussat?

BEAZLEY: There are mixed views on the issue of resale. Resale conducted effectively by the carriers are seen by some of them as a very good way of making better use of their own network. It depends very much at the price at which that is delivered. I have noted in my discussions with would-be competitors of Telecom a very mixed attitude. Some have said they don't want any form of private network resale, some of them think it's a terrific idea - it would enable them to enhance the value of their investment. We want to ensure that resale does operate in such a manner that allows the competition to take place effectively. Hence Austel, as you will note from these documents, has a requirement on it to go away and take a look at this to ensure that what does emerge from resale enhances overall the introduction of network competition.

JOURNALIST: What reaction do you expect from the unions to the decision to completely open up the network from 1997?

BEAZLEY: I think there has always been an assumption around for some considerable time that the duopoly has to conclude at some period. We're talking about two Parliaments away. I don't contend for one moment the unions agree with these decisions. They made their position amply clear at the Federal Conference of the Labor Party on what their views were and beforehand and have done so since. I think that they would continue to maintain those views.

JOURNALIST: So how could you guarantee that the interconnection arrangements will be able to go ahead by the end of next year.

BEAZLEY: Well, the whole variety of factors involved in getting those interconnection arrangements right and I don't think you should pretend that they're going to be - or I should pretend, you don't have to pretend anything - I should pretend that they're going to be easy, they're not. They're technically extraordinarily difficult. And arriving at the right pricing arrangements is also extraordinarily difficult. I think from the point of the unions there is this to be said. There is no doubt that one of the effects of increasing competition is a massive exponential increase in communications usage. We've had arguments over the years whether or not opening up telecommunications produces better services to the customer. I believe it does and I support the people who argue that it does. But there is one unarguable point from everywhere where competition has been entered into by a government even in quite limited forms. And that is that there is exponential increase in the usage of telecommunications, so the market expands. We have a small example from Telecom's experience and that was in the paging system area where Telecom defended its monopoly as you expect Telecom always until recently would have. Telecom dropped from a hundred percent of the paging system market down to sixty, the market increased three hundred percent. That's a little area, I do admit, but you can expect those sorts of increases across the board. So what you say to the unions is this - you, instead of becoming effectively a public service union in a public entity, you become a communications union in the most rapidly growing area of industry in terms of contribution to our GDP. You have presented yourselves with the opportunity, from being a moderate to large size union in the Australian context of being the Australian union giant. That's what you'll become and for your members you have what you have never had before. That is a market in telecommunications workers. Now these are very substantial benefits for the unions.

JOURNALIST: Prime Minister, when you say in the Statement we will ensure that untimed calls continue to be offered to households, does that imply in any way that timed calls will also be offered to households in other sorts of packages?

PM: As far as my statement is concerned it intends to convey no more than what it says, and what it says is precise. That is what the situation will be. They'll continue to be offered.

JOURNALIST: That does mean that you might time local calls ...

BEAZLEY: It's a question of what Telecom is directed to do. As far as we're concerned we are directing Telecom to provide untimed calls for household consumers under the CPI minus x formula in keeping with the promise made by the Prime Minister that everybody benefits from these changes. It has to be said that the capacity to separate out, to all intents and purposes, timed calls in the local loop from untimed calls - in other words business and households situations - is not easy, and I would think fairly unlikely to be pursued by Telecom, even if a capacity is opened up because the Government didn't provide a direction in that area. So I think in many ways the sort of fears that have been expressed in those areas really are a chimera.

JOURNALIST: ... in terms of the competitor to Telecom. Are you saying that they will be ...

BEAZLEY: Well it's up to the competitor how it chooses to conduct its affairs in these areas but it would be pretty stupid if it offered itself a - offered a worse deal than that provided by Telecom to any particular group.

JOURNALIST: Mr Beazley, in your statement you say that in selling AUSSAT the Government will ensure there's a strong Australian participant leading to majority Australian ownership. Will there be any formal time limits on achieving that or any formal sell-down requirements for the new carrier?

BEAZLEY: None have been determined, at this stage, but it is possible that that would be done.

JOURNALIST: inaudible

BEAZLEY: That would be determined by the time we went to the tender process.

JOURNALIST: ... question Minister. What's the timing process for the third mobile?

BEAZLEY: It would not come into place until after the second carrier had been awarded. In other words, we would not give the third cellular mobile operator an opportunity to leap ahead into the market of the second carrier.

JOURNALIST: Do you expect that to be pretty much simultaneous or that there would be a significant gap between the second and the third?

BEAZLEY: There wouldn't be a significant gap.

JOURNALIST: ... immediate resale that there's a high risk that the second player ... in the infrastructure in setting the scale of the resale value.

BEAZLEY: I think that it is very important the way in which AUSTEL finally comes down with the terms of conditions that it sets for resale. I think it would be most undesirable were the set of events that you outline there to take place. We would be expecting of AUSTEL, as they determine these conditions, to ensure that in the way in which they're determined there is still major incentives on the new carrier to develop their own infrastructure.

JOURNALIST: ... talk about price ...

BEAZLEY: The pricing related too to the amount the infrastructure that goes along with the establishment of a private network - all those sorts of issues.

JOURNALIST: Mr Hawke, you said the fee which Telecom would have to pay for OTC would be set in consultation with the new player. Why is that? Doesn't that new entity have a - won't it be motivated to maximise the price that Telecom would have to pay thereby constraining Telecom's ability to compete?

PM: I can't even hear the question. Could you speak up?

JOURNALIST: You said in your statement that the level of the fee that Telecom will have to pay for OTC would be established in consultation with the new entity? Page 6.

PM: It didn't say with the - the new entity being the merged entity not the competitor.

JOURNALIST: So you're not saying that the OTC price -

PM: A fee will be paid to the Government as a result of the merger of Telecom/OTC that level of that fee will be set by the Government in consultation with the new entity. That's the new entity.

JOURNALIST: inaudible

PM: It's all right.

JOURNALIST: What would be the price for OTC be like?

PM: I beg your pardon.

JOURNALIST: What would the OTC sale price be like to Telecom?

PM: Well that's the matter to be determined.

JOURNALIST: Mr Hawke, you said in Parliament that you expect it would be a job of expansion not contraction. Could you see that as an incentive for unions ... albeit reluctant. By how much would you expect jobs to expand? Have you got any sort of round figures?

PM: No I haven't got any figures. Perhaps Kim has. But I mean, the comments he made before are relevant to it. I mean, experience everywhere shows that where you have the increase in competition you have this massive increase in the use of new service and new technology that is available. All the experience, including the experience that we've had here, in regard, I think it was the pager service that he referred to, all the experience shows that there will be an increase in employment opportunities. I don't know, Kim, whether you've got any figures on it at all but I think that's true everywhere and certainly we can say with confidence it'll happen here.

BEAZLEY: It's impossible to tell at this stage but the sorts of numbers of people, I'm being advised, that the would be competitors who're already taking on board, in their Australian establishments, to put themselves simply in a position to bid for this process, I think is a pretty fair indication that employment is going to increase exponentially. You've got - I mean, one particular company already has close to a thousand employees in this country. One of the regional ... I think that you think of Telecom having a workforce of some, if you add OTC into it, some 86,000 - 86-87,000. You've got a new competitor coming in you have to see that the new competitor would be very likely to very rapidly expand to get up to being in a position to provide a reasonable service. So there is absolutely no question that - as a result of these various initiatives and as a result to of the technological change and the growing importance of telecommunications - employment over the next 20 years is going to increase exponentially in the communications area.

JOURNALIST: Mr Beazley, do you think there should be major shake-up with the management of Telecom?

BEAZLEY: I think that what will arise from the merged entity is going to be a much more offensive business organisation. It will need to be because of the fact that it now experiences competition. I do think that that structure of the company that will emerge as a result of deliberations that are taken by the interim board will reflect some changes in Telecom's business organisation. I'm not expecting a shake-up, as you describe it, of Telecom management in the sense that you speak of it. I'm talking - I'm thinking of it in the context of practices of business behaviour.

JOURNALIST: Will OTC retain any structural integrity within the new structure or not?

BEAZLEY: Well that's to be determined and OTC is not simply just an overseas provider of communications. It has a raft of other business activities. So it would be very difficult to say at this point exactly what it would look like after the interim board has had a chance to have a look at the whole structure.

JOURNALIST: How important is structural separation to the ultimate level of competition that - or the speed with which competition will be introduced into the industry?

BEAZLEY: That is - the question of structural separation is, as you'll notice from this paper, a matter to be considered by the interim board and by, ultimately by, the Government. My own view is that what is critical to competition is accountancy separation. That AUSTEL proceeds immediately to work on that. I think the other question is not as important as that.

JOURNALIST: How long before we can see dramatic reductions in STD prices?

BEAZLEY: There are going ... to think in - if experience, our experience to this point under the threat of competition is to be replicated, and the experience elsewhere, prices could well be start to fall before competition is introduced. But I would think that the falls are likely to be quite substantial very quickly once a competitor gets anywhere near like getting up and moving.

JOURNALIST: inaudible

BEAZLEY: None to this point. That's a matter for - we have given, in accordance with the Conference decision, Telecom the permission within the price-capping formula to do some deaveraging and rebalancing. But that is a matter yet to be worked out effectively between AUSTEL, the competitor and Telecom.

JOURNALIST: What about the freedom from Loan Council restrictions? Telecom is not getting that. Won't that unfairly handicap it against a competitor and also industrial relations freedom?

BEAZLEY: I think that there is a substantial requirement for Telecom to have additional capital as a result of the many things it will do under this framework. Within the framework of the Government's decisions, to this point of time and the way in which the public sector borrowing requirement is examined, the fact that Australian and Qantas are being sold is very important. It takes them out of the Loan Council arrangements. The amounts freed roughly conform to the amounts required by Telecom in this area. So I do think that, fortuitously, the combination of these two factors will probably address Telecom's requirements without us having to contemplate the Loan Council issue.

JOURNALIST: Doesn't that underline the stupidity of the Loan Council requirements? Some ... and ownership subsequent ...

BEAZLEY: No. I mean, if you're taking ownership out of the public sector into the private sector quite clearly the public sector borrowing requirement is quite important.

JOURNALIST: The bottom line for the economy in terms ... there's no difference at all.

BEAZLEY: I'm now out of my territory and I don't intervene in other Ministers' territories.

PM: I'm quite prepared to answer. The simple fact is that in terms of the conventions that are applied to us by those who determine our definition of requirements. What we are doing is in accordance with them. In other words, if the - no question about the fully publicly owned enterprise that's required to be within the, by definition, must be within the public sector borrowing requirement. If there is a majority public ownership then the definitions that are applied to us by the statistician in accordance with international convention is required that it be included. As long as we all understand that that's what's involved you can, you are able, in your analysis to then understand, over a period of time, what's happening to the levels of demand upon the community savings from that sector. There's no difficulty in following that.

JOURNALIST: ... understand the definition -

PM: I can see the point that there is an artificiality about it. It's not an artificiality of our imposition.

JOURNALIST: Mr Beazley, will the recent decision by the AUSSAT board not to take up an opportunity to use satellite, new satellite, technology to enable it to operate in the South East Asian market provide a barrier to its becoming a more, an effective international competitor in the way you've described here?

BEAZLEY: I don't think so. Basically because there's a very substantial unused capacity on INTELSAT and also a whole new set of fibre optic cables being run through the same area. I mean, I think, in a sense you look at AUSSAT under the old terms and conditions of how AUSSAT used to operate. AUSSAT will now have, as Telecom/OTC will have, the capacity to lease operations off the international satellite system and fibre optic cable system. And I think that any deficiencies in regard to their own satellites will be of minimal importance. I think they made a reasonably sensible calculation in the cost benefit analysis terms of developing their own capacity in that regard rather than being able to lease it.

JOURNALIST: ... on the ... Qantas being able to buy up into the domestic airlines?

BEAZLEY: Well I must say that I would very much take the view - and the whole issue of this of course is in the hands of the Minister for Finance at the moment and he's doing scoping studies and looking at the best possible return and all those sorts of things for the Government. But I would take the view that the best price for Australian would be realised and the most equitable outcome achieved by

maintaining strict separation between international and domestic aviation. At least for the life of this Parliament. A logical consequence of that would be that Qantas would not acquire shareholding in Australian and maintain its status as the single overseas passenger carrier. Likewise, I think, that's probably quite important to Qantas' value as well. So while one wouldn't rule that out completely, until those scoping studies were finished, I didn't, and the Prime Minister and others, haven't laboured mightily in the field to produce a situation where we can sell the domestic airline and stay out of Government ownership in a domestic market to buy ourselves back into it.

PM: I'm glad Kim said that. It just seems to me a very strange sort of situation - as he says, to have laboured mightily which is, as usual, an understatement on the Minister's part - to get rid of what I see as the absurdity of a government running a domestic airline, do all that and then come back in the other way. It doesn't seem to me to make very much sense.

JOURNALIST: Mr Hawke, why is the sale of AUSSAT being handled by a taskforce based in Mr Beazley's Department instead of going through the Department of Finance's regular avenue?

PM: Because, there's a very simple truth, and that is that what we're about is setting up a competitor in the telecommunications industry, a competitor to Telecom/OTC. It happens to be the case that the vehicle that's being used for the creation of a competitor is Aussat. But the essential operation ... is not selling Aussat, I mean that's not the essential. The essential thing is the creation of a competitor. Now in that sense it's most appropriate that the ... be in the department which is concerned with telecommunications. However, we acknowledge, and the Minister happily acknowledges, that the Department of Finance has a legitimate interest when as part of that process of setting up a new competitor you are disposing of an asset that the Department of Finance should be involved. So that's the basic answer. If we were setting up the competitor by means of not using Aussat, you were putting Aussat, OTC and Telecom together, you weren't selling Aussat, would Finance be involved? The involvement of Finance is in a sense an incidental, but an appropriate incidental. They are entitled to be involved and should be involved. But the essential thing in this exercise is the setting up of a competitor and if you're setting up a competitor in the telecommunications industry the appropriate department, portfolio to have a major responsibility is the Department of Transport and Communications.

JOURNALIST: Prime Minister, getting back to airlines, in your Statement you say that the foreign investment changes you've outlined offered clear opportunities for the New Zealand carrier to enter the Australian market. What

precisely do you mean, do you talk about operations or only equity?

PM: I'm sorry? The opportunities for ...?

JOURNALIST: The opportunities for the New Zealand carrier, I presume Air New Zealand, to enter the Australian market.

PM: Yes, I'm just coming to where the words begin - this is page fifteen.

JOURNALIST: Page seven, fourth point.

PM: Yes, well it's my page fifteen. I haven't got the ... It means, not ... Look, let me answer it first by pointing to what we've said before that which is most relevant. The page where we talk about during the life of this Parliament we are going to leave the arrangements that exist in place. The only implication for that section there is not that you will be able to have Air New Zealand coming in and operating, but they will have an opportunity to invest. It's the investment opportunity that you talk about. We are not, and I was trying to find the passage in the speech but you know where it is you can look it up yourself, where we are not changing the basic operational arrangements. For the reason that I said in the Parliament, that, there are two reasons that were referred to in the speech as you will recall. Firstly, that you can't, it doesn't very sensibly when you're moving into deregulation, to create a situation where you're going to make more difficult the viability of people who have just entered and undertaken significant capital expenditures. So you wouldn't do it for that reason. And secondly, I refer to the fact that in disposing of your total interest in Australian Airlines and your partial interest in Qantas, you don't want to be changing the goalposts while people are in the process of acquiring those interests. For those two reasons we've made the point quite specifically in the speech and in the decisions of Cabinet we wouldn't be changing the basic structures beyond the significant changes that we've made. And that refers, as I say, to investment opportunity.

JOURNALIST: Can you put a figure on the value of the Loan Council funds that would be freed up by the sale of the airlines?

BEAZLEY: If you took the two of them out - just take last year's performance and of course they vary year on year - it'd be about seven hundred million.

JOURNALIST: What about the number of Telecom shareholding in Aussat and the Government's involvement?

BEAZLEY: Yes well, as the Prime Minister said, it's determined at a value some date last month ...

PM: Twenty-fourth of October.

BEAZLEY: Twenty-fourth of October, Finance is working all that out.

JOURNALIST: (inaudible)

BEAZLEY: (inaudible)

JOURNALIST: Do you see any conflict in the fact that Mel Ward was ... Aussat when they made that decision?

BEAZLEY: I think probably that was a decision which on balance may well have increased the value of Aussat as opposed to lowering it as far as the Government was concerned and I think that Mel Ward would be as understanding as anyone else that Aussat now doesn't have to compete simply with its own technology. The Aussat will do as it pleases, the establishment of the links it wants to internationally and use whatever services other people provide ...

JOURNALIST: ... consortium can we expect (inaudible)

BEAZLEY: Very difficult at this stage. It could be as high as four and I think there will probably be a higher number, half a dozen to eight companies, that would be interested. That is, overseas ... is interested. And it'll probably come down to a smaller number.

PM: OK? Thanks.

JOURNALIST: ... the statement by Mr Dawkins yesterday - did you speak to him about that before or afterwards, and what is your attitude to his going outside his portfolio and the context of what he said?

PM: I had a yarn to him before he made the statement and ...

JOURNALIST: (inaudible)

PM: I didn't use the words that I authorise it. I had a yarn to him beforehand. It was his statement, not mine. Don't really get knicker-knotted about that as under some ...

JOURNALIST: ... you authorised him later ...

PM: It's your word authorised. He'd made arrangements to make a speech at the National Press Club. He'd made those arrangements and I don't have a situation where if Ministers are going to be making a speech somewhere that they come and get my authorisation to make speeches. He had made his arrangements to talk at the National Press Club. I spoke to him beforehand, it wasn't a question of authorising him to speak, he'd made the arrangements and I had a discussion with him in company with the Treasurer.

JOURNALIST: ... we're a third world economy ...

PM: Beg your pardon?

JOURNALIST: Do you agree with his observation that we're a third world economy with first world aspirations?

PM: I don't think we're a third world economy, no.

JOURNALIST: Does this statement go against your principle that Ministers should not range outside their area?

PM: He related his concerns to the question of employment, he hung his observations on that peg and in that sense the Treasurer and I were prepared to go along with him making the speech. I would think you were getting towards a pretty fine line.

JOURNALIST: Did you initiate this meeting with Mr Dawkins?

PM: Yes I asked to speak to him, yes.

JOURNALIST: Do you think you persuade him from saying some of the things that he said ...

PM: No.

JOURNALIST: (inaudible)

PM: No, I didn't seek to persuade him.

JOURNALIST: What's your view of the main thrust of what he had to say?

PM: In what area? He was talking about factions, he was talking about the economy, which is the more important?

JOURNALIST: Additional government intervention to assist export industries.

PM: I'm not going to discuss those things here, we'll discuss those matters in the Cabinet.

JOURNALIST: Mr Hawke, the ALAC meeting which I think starts in about fifteen minutes, are you anticipating any suggestion from the union movement as to changes to the Accord in the wake of yesterday's inflation figures.

PM: I'm not anticipating any.

JOURNALIST: What was your response to ...

PM: ... you know this hypothetical business doesn't wash with me ...

JOURNALIST: (inaudible)

PM: Well we'll see. I've got enough things to deal with, actual things, without spending my time answering

hypothetical questions from you. If the matter arises with the trade union movement, I and my colleagues will deal with it. I'm not going to spend my time contemplating what we might do if ...

JOURNALIST: (inaudible)

PM: OK, alright then.

JOURNALIST: (inaudible)

PM: I'm simply saying that if they raise the question, both the Treasurer and I and relevant Ministers will listen to what they've got to say. We always do listen to what they've got to say. But I'm not anticipating that they will raise it and if they do raise it I'm certainly not going to, before they do, in here have some speculation about what our reaction will be.

JOURNALIST: Will you be faced with the attitude though that you have a deal and that's the end?

PM: We've got a deal and the most important part of that deal is the seven percent national aggregate wage outcome and that is something to which I believe the ACTU is committed and to which they'll adhere. OK, and now I'd better get to the ALAC.

ends