FRX NO:64 4 4957854

2

MASTER



PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP AND THE RIGHT HON J B BOLGER, PARLIAMENT HOUSE WELLINGTON, 21 MAY 1993

ESOE PROOF COPY

- JB: Can I just say as an opening comment that the talks this morning have gone very well, both between Prime Minister Keating and myself and the office and now with twelve Cabinet Ministers. They have been very good discussions, we have covered the range of issues that are important to both countries. I have been very pleased.
- PM: And likewise. This is a natural opportunity to look at Australia and New Zealand's both relationship one to the other, but as well our strategic circumstances in the world in which we live and the region and the world more generally. So we have been able to do those things and then as well as that discuss all the bilateral things as well.
- J: Was the contentious issue of benefits discussed at all Prime Ministers?
- PM: We discussed it and I think it has been an issue under discussion now for some time and one which I think we will have further discussions on.
- J: And what elements Prime Minister?
- PM: They will be discussions at Minister level. When is it Jim, a few months time?
- JB: About a months time. The Ministers are scheduled to meet from New Zealand and Australia in about a month. That meeting was in place, they will pick up the issue and move it forward. We made it clear that we are talking about pensions, we are not talking about benefits. The tenor of the discussion was constructive, the Ministers will now pick it up and move it forward, I'm quite certain they will do that and I would hope they can move it forward reasonably quickly.

#982 P03

2

J: Mr Keating, is Australia talking about pensions or unemployment benefits as well?

PM: We are talking in terms of discussions we've had today they have been about pensions rather than benefits and as the Prime Minister has said that is the basis on which ministerial discussions will now ensue.

J: Do you want that to be wider though Mr Reating?

PM: No, from our point of view that is fair enough.

J: Did you discuss defence issues today?

PM: In the general yes.

J: Are you seeking more of a role from New Zealand in defence terms, more defence expenditure?

PM: The important thing between our countries is that we maintain that sort of operational capacity together, I'm not sure whether it is quite the word but operability between us and that the whole question about keeping core forces together, their competence is an issue of importance for both of.

J: Prime Minister what about the Kangaroo exercises?

That is not something either directly in the control JB: of Prime Minister Keating or myself. The answer to your question is yes, but you will be aware of course of the American position on that and until that changes we won't be able to do so, but New Sealand would certainly welcome the opportunity of rejoining those exercises. Both the Prime Minister and myself agree that it is important, that our two forces operate in a coherent fashion, one integrating with the other or complementing the other and that is certainly an ambition. We both believe in the five power defence arrangement which we are members of as again as a strategic, sensible arrangement. So all that we have no difficulty on. I think we should go, we do have a luncheon that we are supposed to both appear at and God knows what you'll say if both of us don't appear at it and I know Prime Minister has a press conference later as well.

PM: I'm happy to take more detailed questions later. Thank you.

JB: Thank you.

ende