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PRIME MINISTER

8 July 1996

**TRANSCRIPT OF THE PRIME MINISTER
THE HON. JOHN HOWARD MP
QUESTIONS AND ANSWERS,
AUSTRALIAN LIBERAL STUDENTS' FEDERATION**

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QUESTIONER:

Given the mandate that you claim with IR Legislation...

PRIME MINISTER:

Yes, where are you from?

QUESTIONER:

University of Technology.

PRIME MINISTER:

Thank you.

QUESTIONER:

What do you see as the democratic role of the house of review?

PRIME MINISTER:

Well obviously I believe that given that we were open, honest, candid and frank with the people and said what we were going to do on industrial relations and have talked about it more than anything else, I obviously believe that the house of review, the Senate, should after consideration

allow the legislation to go through substantially unaltered. Now I'm not saying that there can't be some areas at the margin for discussion. I'm not saying that there won't be some technical aspect of the legislation that, after examination, we can't look at. But the fundamentals of the legislation, the workplace agreements, compulsory unionism - prohibition on it, restoration of secondary boycotts, the removal of the unfair dismissal. All of those things which were the corner stone of our policy at the last election. They ought to go through unaltered. I mean, I really do want to emphasis this comparison again. In 1993 Laurie Brereton and Paul Keating did not tell the Australian public that they were going to change the industrial relations law and bring in this new restrictive unfair dismissal law. They didn't say anything about that. Then after the election, clearly as a pay back to the unions, they bring in a far more restrictive law and a law that actually makes the industrial relations system even worse than it was before March of 1993, but extraordinary enough they're able to get that through the Senate and they didn't mention it and we face the situation that having told the public what we're going to do the Senate is threatening to hold it up. I think it's a very, very strange morality.

QUESTIONER:

Leigh Dunlop, Royal Melbourne Institute of Technology. Prime Minister I'd like to ask you a question regarding Federal Government grants to universities and voluntary student unionism. The Vice Chancellor of RMIT stated that the university will use federal grants to fund the student union and its activities including the student union paper. I'd like to know if you would ensure that federal grants will not be used by universities to undermine voluntary student unionism?

PRIME MINISTER:

We opposed that policy when it was brought in by the former government and that remains our position.

QUESTIONER:

Jonathan Mann, Melbourne University. As the media is wont to do there's been considerable speculation about changes to the Austudy system. At this stage, and obviously we're still a few weeks out from the budget, what assurances can you give regarding Austudy, in particular, better targeting to minimise and eliminate middle class subsidies and also regarding the mooted changes to a loan system?

PRIME MINISTER:

Well I can give you this assurance, we have absolutely no intention of walking away from some method of student assistance, obviously based to a large extent on need. The idea that we're going to walk away completely from that is absolute nonsense, we're not.

QUESTIONER:

Michael ..., University of Tasmania. Prime Minister in light of recent talks with the United States Secretary of Defence, William Perry, I was wondering if you would be able to inform us where you see Australia's defence policy heading towards the next millennium?

PRIME MINISTER:

Well our defence policy should, to a large extent, be based on recognising that the end of the Cold War rather than creating a more stable and predictable environment in our region has in fact led, in the view of many people, to the creation of an environment in our region that is even less stable and less predictable than it was when the Cold War was in full swing. Now I don't want to overstate that and I don't want that remark to be taken as implying that we see some country in the region as posing a direct threat to Australia. I'm not arguing that and it would be wrong of anybody to construe it. But I think we are sensible enough to draw the distinction between a country or countries offering a direct threat to Australia, yet recognising that a whole region is potentially less stable and more volatile than what it was five or ten years earlier. And because of that greater instability and volatility it is one of the reasons why we have decided at a time when we are seeking budget reductions in many other areas, we have decided to put a circle around defence expenditure. We are achieving major reductions in expenditure on defence administration. But the savings in that area are being directed to an improvement of the sharp end or frontline capacity of the armed forces which have been quite badly run down. Now it is my very strong view that defence expenditure has already been cut, a very long, lame cut very deeply in this country.

At just on two per cent of GDP it is at a very low level compared to the last 30 years and compared very unfavourably with levels of expenditure in most profitable countries with the exception of New Zealand which, of course, effectively left, certainly downgraded her association with the ANZUS alliance. So there are a lot of constraints in that area which flow from a world that in once sense you might expect to have delivered a bigger peace dividend, yet in reality our region is such that the levels of volatility and potential instability are much greater. And that as much as anything else will govern our association. We have made it very clear as a new government that we seek a further deepening of the defence association with the United States. It will not be done on any kind of slavish basis but it will be done on the basis on a proper partnership and I am sure that is understood and recognised in the United States. It's very important that the United State remain politically and economically involved in our region and it will be an objective of national security policy for us to encourage the United States to be so involved. And I must say that the talk declaration that was made by President Clinton and Mr Hashimoto, the Prime Minister of Japan, some weeks ago was a very welcomed reaffirmation of the determination of the United States to remain very heavily involved in the region.

QUESTIONER:

Matt Cavanagh, University of Queensland. Recently in Queensland we've had troubles with the sorting out of whether the Aboriginal community in the Gulf of Carpentaria are in support of the

CRA Century Zinc mine or not. And what we've seen is a case of competing Aboriginal interests fighting it out amongst themselves and holding the rest of the community to ransom over it. What policies is it possible for the Federal Government to bring forward to try and stop those interests and stop that section of our community from holding the rest of us to ransom?

PRIME MINISTER:

Can I just say about Century Zinc that it is very important from a whole range of views that this mine project go ahead. It has the potential to earn enormous amounts of export income for Australia. It could be the largest zinc mine in the world. If it goes ahead on the basis that has been explained to me it will bring enormous, long term benefits to the Aboriginal people in the area. Century Zinc is the win, win situation that most Australians of goodwill aspire to. An outcome where an important investment goes ahead, export dollars are earned for the whole country, we develop in an environmentally sensitive fashion a very large resource project and importantly the Aboriginal people, the potential native title holders, they get a very big share of the action.

Now I can't for the life of me think that any fair minded Australian would object, Aboriginal or not, would object to such an outcome and I have talked extensively to all of the people involved in this including a number of the Aboriginal leaders and there is an enormous amount of goodwill. There's a great desire on the part of sensible people to see this project come about. Now I believe that the company has tried, I believe many of the Aboriginal leaders have tried very hard. There are further announcements to be made and further discussions under way and I don't want to really say any more this morning other than to re-express my very strong view that it is in the national interest. It is in the interests of reconciliation between different groups of Australians. It is in the interests of the welfare of the Aboriginal communities in the area, in the Gulf area, that this project go ahead. There's something like a provision of \$60 million for the community. There's something like \$20 million of infrastructure proposals coming from the Queensland Government and given the size of the community they represent very, very significant benefits. It would be a great tragedy for the cause of what can be achieved through cooperation and discussion in the future if this doesn't go ahead. Now some people on the fringes are making careless statements. I have tried at every stage to encourage cooperation and discussion between the company and between the Aboriginal community and it will, as the days unfold, it will, I guess, materialise where majority Aboriginal opinion really lies but obviously there are conflicting reports at the present time and it's really not sensible for me to try and say more than what I've said. But I wouldn't want anybody to be left in any doubt that the best outcome for all Australians, most particularly for Aboriginal Australians, the best outcome is for this project to go ahead because if it doesn't it will be dishonestly used against the reconciliation process and those people who have a vested interest in failure and frustration will use it to denigrate the cause of discussion, co-operation and reconciliation.

Thank you.