



(4)

**PRIME MINISTER**

10 July 1996

**TRANSCRIPT OF THE PRIME MINISTER  
THE HON JOHN HOWARD, MP  
PRESS CONFERENCE - PARLIAMENT HOUSE, CANBERRA****E & OE.....**

(tape starts)... any questions that you want to put to me but could I say something first of all about the issue of Gun Control. This matter was considered again by Federal Cabinet yesterday and this morning I have spoken to all of the Premiers and the two Chief Ministers and informed them of the definitive Commonwealth position on the two outstanding issues. The first relates to that of crimping. The Federal Government has decided against crimping. We did have a report from the Australian Federal Police that was fairly positive that a crimping process was technically irreversible. We did, as I announced a few weeks ago, refer that to the Defence authorities. The initial report from the Defence authorities was factually different than that of the Federal Police in relation to a single continuous crimp. There are further investigations being undertaken by the Defence people in relation to other procedures. I've got to say that there's sufficient ambiguity in what's been put to us so far to have persuaded the Cabinet, to have persuaded me, that we should not support the crimping process.

I know some will accuse me and the Federal Government of being over cautious on this issue. I believe it is something on which erring on the side of over caution and restriction is desirable and in the public interest. In relation to the request by the Government of Queensland to allow primary producers general access to Category D or high powered semi-automatic weapons for the purpose of controlling or culling feral animals, in particular I think feral pigs was the case in point used, we have indicated to the Queensland Government and to the other Premiers that we would only agree to that in circumstances which are essentially based on the very narrow restrictions now operating in the Northern Territory. That is not what was originally requested by the Queensland Government but I believe that it is the kind of fine tuning change which is consonant with the resolution, the spirit of the resolution, of the Police Ministers.

I have conveyed these two decisions to the Premiers in the discussions I had with them this morning and naturally, of course Premiers and Chief Ministers speak for themselves, but I am broadly happy with the response that I have received in the

discussions that I've had this morning and I believe that the stance taken by the Federal Government maintains the thrust and the effectiveness of the agreement between the Police Ministers of the 10th of May. It is in the national interest that this thing be wrapped up as soon as possible. I put that view to every one of the Premiers and Chief Ministers to whom I spoke this morning.

There were high hopes and expectations of the Australian public that this matter could be put to bed and a rare degree of unanimity on an important issue consummated with appropriate legislation. Now it is difficult, I understand the feelings, I respect the fact that some law abiding citizens are going to be deprived of doing things that they have done in a lawful manner. We've been over all of those arguments in the past. I again express my regrets and convey my apologies to those people. Many of them are, the great bulk of them of course, are very decent law abiding Australian citizens, but there is a national good which transcends personal preference, on this occasion, and I hope that this matter can be wrapped up very quickly. I believe that it ought to be.

The position that I have conveyed in relation to the two matters is the final position of the Federal Government. It will, of course, be discussed again at the Police Ministers' meeting and Daryl Williams as the Federal Attorney-General will take the views of the Federal Government to that meeting. I'd be very happy to answer any questions that you want to ask me on that issue or, indeed, on anything else.

**JRNLS:**

Are you confident Prime Minister that all the States will, in fact, pass the legislation that you want and have you received any assurances to that?

**PRIME MINISTER:**

Well I've received a lot of assurances. I think each individual Premier should speak for himself. I never put words into the mouths of Premiers, it's always a challenging undertaking.

**JRNLS:**

You said, when the AFP report was made public, that you also were seeking reports from the Defences Forces, which you've got, and the State Police Forces. Now you've got two conflicting reports and none of the State Police, you haven't mentioned them.

**PRIME MINISTER:**

Well can I say on the basis of the criteria I put down myself the conflict between the two reports of the two Federal authorities is enough to persuade me, in relation to one issue, is enough to persuade the Government that we ought not take the matter any further. I mean it was always going to be upon the basis that, you know, I started from the position of having to be absolutely convinced, absolutely persuaded and absolutely assured and unless that was going to be the case I wasn't going to entertain it. Now I notice, for example, Mr Drane has said that nothing is irreversible. I mean,

that would be the sort of rough common sense view that a lot of people would take. I know there will be some people who will criticise our stance and there'll be some people of reasonable goodwill and disposition who would say that, you know, on the balance of probabilities and in most cases out of 100 you could take the risk and it wouldn't be reversed. But I don't think this is the sort of situation where the burden of shifting a decision should be anything other than carrying a very heavy load and a very heavy onus and on the material I've seen so far, and I'm quite sure there'll be other material put into the domain, I'm just satisfied that there is enough ambiguity and enough doubt that we ought not go ahead with it.

**JRNLS:**

Could you give us some detail on the Northern Territory model?

**PRIME MINISTER:**

Well it would be limited to situations where a culling had to be carried out, an unavoidable culling had to be carried out. For example, where an authority had ordered that it be carried out the people would be granted temporary access, they would need to have the qualifications of professional shooters, they would be limited to a particular property and a particular area, they would have to return the weapon, it would be for a defined period of time, there would be only one weapon per person and they'd have to hand it back after they'd carried out the cull and that if any culling were to be carried out from a helicopter or aerial platform then they'd have to have a civil aviation license in order to do it. The Chief Minister of the Northern Territory has told me that licenses for these culls have been granted on 23 occasions only since they were introduced by the Northern Territory.

**JRNLS:**

Where are the weapons kept?

**PRIME MINISTER:**

Where would they be kept? Well probably the local police station, look I'm, Peter, I'm speculating. I would imagine the local police station.

**JRNLS:**

But not in the community?

**PRIME MINISTER:**

No, no, no, no oh no, no, no. That's absolutely essential. Oh yes there's no, see you remember that these particular weapons were always going to be available for professional shooters, always. So what basically we're doing is saying that in those circumstance where the practical thing is to temporarily license somebody who has a demonstrated need as a professional shooter for the duration of that cull then that's okay, but then they'd have to hand them. They'd have to satisfy the requirements of professional shooters.

**JRNLSST:**

Prime Minister have you or Tim Fischer talked to any members of the Backbench Committee that you set up to look at crimping?

**PRIME MINISTER:**

When?

**JRNLSST:**

Well since you've made this decision.

**PRIME MINISTER:**

Yes.

**JRNLSST:**

And what was their reaction?

**PRIME MINISTER:**

Well that's a matter for, I guess, for them to express. I discussed the Cabinet's decision with the Chairman of the Government Members Committee, David Hawker, this morning and we had a very civil, as I always do with my colleagues on most issues, a very civil discussion.

**JRNLSST:**

Won't this pose a problem with, particularly National Backbench members?

**PRIME MINISTER:**

Stephanie, on something as sensitive as this I respect the fact that people hold some strong views which may be a little different from mine and a little different from that of the Government, but that's the nature of a democratic political party. Look, we've kicked it around, we've looked at the merits, we've looked at the political considerations, we've looked at the equity considerations and we have made a

decision. I never expect to have 100 per cent support, unanimity and agreement within my party on every single difficult decision that we're going to take. We've done our best, I'm sure the decision we've taken is right and I don't believe that any ongoing damage will be done to my party or to the National Party on this issue and can I take this opportunity of saying again that I admire enormously the strength of leadership that Tim Fischer has displayed on this issue. It has been a difficult one for him. I thank him for the support that he's given me. I thank him for the support that he's given the Government and I thank him for having the courage and the strength to state a position that, in some areas of his party, was not unanimously accepted.

**JRNLS:**

Michael Cobb was saying that, expressing a fear that many other backbenchers, by refusing crimping, all the Government is doing is encouraging people or saying to some people that it is perhaps time to get rid of your guns. That's a view that comes across quite strongly when you talk to the people at gun rallies and members of shooting organisations. What do you say to those Australians who are thinking that maybe it's time to bury their guns?

**PRIME MINISTER:**

I would say to anybody that there comes a time when the national good, the common good, the will of the overwhelming majority has to be accorded a higher preference than personal choice or personal convenience. One of the clarion calls of the Liberal Party and the National Party in the last election was that a Government formed by those two parties would govern for the mainstream of the Australian community. The mainstream of the Australian community is unequivocally behind the Government on this issue. The mainstream wants tough, uniform, comprehensive national gun laws. That's what the mainstream of Australia wants. It is loud, clear, unmistakable. We are representing mainstream Australia and I would find it strange indeed if some people who on other issues exhorted the Government with vigour to represent the mainstream should on this issue regard representation of mainstream values and beliefs as being less worthy of proper respect.

**JRNLS:**

Do you still see the point in taking the Government's decision and defending it to gun owners around the country?

**PRIME MINISTER:**

I am going to a rally on the Gold Coast on Sunday because I was invited to it and I am going to the Queensland National Party conference in Townsville the following weekend. I might, you know, that might be my portion for the time being but we will see.

**JRNLS:**

Prime Minister, have you got any indication from Premier Borbidge that the Northern Territory model will satisfy Queensland's concerns?

**PRIME MINISTER:**

You ought to ask him about that. We had a very good discussion this morning but I really think that's something... I don't presume to speak for premiers. They like to take their own counsel and consider their position and express things in their own inimitable styles, and I wouldn't presume to speak on their behalf.

**JRNLS:**

Has the backbench committee now finished its job?

**PRIME MINISTER:**

That's a matter for it. I believe in freedom of association and if people want to continue to congregate and talk about matters, they are perfectly entitled to do so.

**JRNLS:**

You mentioned Mr Drane. He also said today that your new laws will allow the owners of self loading pistols to keep their weapons. Is he right and if so, isn't that inconsistent?

**PRIME MINISTER:**

The licensing regime for pistols in this country is very strict, and that strict regime will continue.

**JRNLS:**

But you've toughened the laws on self...

**PRIME MINISTER:**

Yes we have toughened the laws in areas that were not as tough before, that's right.

**JRNLS:**

You seem like you're prepared to allow some dissent from members of your own Government to go on. Aren't you at all concerned that the campaigning against your position by members of the National Party undermines the public confidence in it and could affect the compliance with the.....

**PRIME MINISTER:**

No, I don't think it does. Look, you can't stop free individuals in a free society from expressing dissent if they feel strongly. Menzies governed for 16 years with

continuous dissent, occupational dissent from a number of people. I mean it's just part of the system and there's no, look there will be some people who will go on disagreeing with the decision we've taken just as there were people who went on disagreeing with decisions taken by the Hawke Government and the Keating Government. I mean there were people who in 1983 disagreed with the floating of the dollar and when Keating was voted out of power in March of this year they still disagreed with the floating of the dollar, and not all of them were in the Labor Party.

**JRNLS:**

Did the feedback you got from the Premiers this morning indicate to you that they will all comply with the Federal Cabinet view on this? In other words, none of them will adopt crimping or none of them will allow...

**PRIME MINISTER:**

Geoff, I was quite encouraged by the response I had from the Premiers but it's foolish, inappropriate and presumptuous of me to speak for them.

**JRNLS:**

The gun lobby was waiting for crimping as one way of taking some of the heat out of the debate. Do you now expect that the heat will be injected back in and if so, how would you deal with that?

**PRIME MINISTER:**

We've taken a decision and we're going to stick to it. It's the right decision and I'm sure the majority of Australians support it.

**JRNLS:**

....detailed advice on the cost of the buy back now that those guns which could have been crimped will now have to be turned in?

**PRIME MINISTER:**

The original calculations were made on the basis of no crimping.

**JRNLS:**

... release copies of the AFP report plus the first defence report?

**PRIME MINISTER:**

I will later in the week, yes.

**JRNLST:**

And secondly, would you also release the next defence report on multiple...?

**PRIME MINISTER:**

The what?

**JRNLST:**

I thought you were getting another defence report on multiple crimping.

**PRIME MINISTER:**

I will release those reports later in the week.

**JRNLST:**

Prime Minister, on Century Zinc, there seems to be a lot of confusion about what the legislation, the legislative requirement of the Commonwealth would be to get the project up and running. What's your understanding of what the legislation would actually do on the Commonwealth's part?

**PRIME MINISTER:**

Well, the proposal that was put to me some weeks ago now by the Queensland Premier was that the Commonwealth and the Queensland Government should pass supporting and facilitating legislation to give effect to the agreement that might hopefully be reached between the Aboriginal communities and the company. It was always on the basis that we would legislate to facilitate, give effect, bring to fruition an agreement reached between the Aborigines and the company. Now that remains our position.

**JRNLST:**

That would be legislation affecting this project, one off legislation?

**PRIME MINISTER:**

Oh, yes, the legislation, it would be project specific. It was always meant to be project specific legislation, yes.

**JRNLST:**

Would you require that there was Aboriginal agreement towards...

**PRIME MINISTER:**

It's very difficult because of the ensuing nature of the determination process that is



involved in Aboriginal communities. It's very difficult to sort of lay down in advance of what that is. I think I just have to say to you that when I talked about broad agreement, I didn't want to circumscribe the boundaries of that because it can move around. I said...

**JRNLSST:**

... it wouldn't be a documentary....

**PRIME MINISTER:**

Well, it might. I said the other day that in expressing very strong support for the project, I said that I wanted the processes of discussion between the community and the company to go on and when a bit more time had gone by, I thought that we would have a clearer picture.

**JRNLSST:**

So you're not yet satisfied with the broad agreement?

**PRIME MINISTER:**

I think it's too early for me to sort of make any declaration about that. I really don't want to... Could I make it clear, I want this project to go ahead. I think it's very important for Australia. I think it's very important for the Aboriginal community. It's very important for the views of overseas investors about sovereign risk in this country that the project go ahead. It's very important to the future of public acceptance of the Native Title Act that the whole thing go ahead. Now all of my actions and words at the moment are calculated towards helping the process go ahead. To me it's more important that the project go ahead ultimately than that some short term ambiguity about precisely what the situation is be resolved as soon as possible. This regrettably is one of those situations where your collective desire understandably to resolve that ambiguity as quickly as possible collides with the Government's interest in seeing the project ultimately materialise.

**JRNLSST:**

Mr Howard obviously not just our desire, because your own Minister, Senator Parer, the other day said that he regarded the vote a couple of weeks ago as signifying agreement. Was he shooting off his mouth prematurely? Secondly, could you tell us why when Native Title legislation is still being worked through you had your chief departmental expert in this area moved to another section of the department?

**PRIME MINISTER:**

Well on that second question, I am not going to speculate either about the motivation, the causation or the personal decision making processes involved in internal departmental rearrangements. Let me say this, that I remain very satisfied that there is within my own department in the relevant area plenty of knowledge and understanding

of the Native Title area. Look, I am also not going to, much in all as you invite me to do so, I am not going to sort of pass a judgement on the each and every utterances of my Ministers. ... Just a moment.... Senator Parer wants the project to go ahead. He felt that the vote that had been taken last week, the 12/11 was a definitive expression of view. I still to this day don't know who was there and I don't know who was at the Yanner-convened meeting a few days later. As I understand this process, there's a document which is to be signed between the community and the company and as I understand the normal processes of contract law and the making of agreements in this country, when you sort of put pen on paper you indicate agreement to something. I mean, you can, it's possible to pass a resolution saying, no I won't agree to something, and then end up signing it. It's equally possible to pass a resolution saying, yes I do agree with something, and not end up signing it.

So at the end of the day it's the outcome of the process of discussion and negotiation between the company and the Aborigines that will really matter.

**JRNLS:**

Have you explained this to Senator Parer?

**PRIME MINISTER:**

I've had numerous discussions with him.

**JRNLS:**

You had further discussions with some Aboriginal leaders on the weekend, I understand. What was the point?

**PRIME MINISTER:**

No I didn't actually. No, that's not right. I didn't. I only had.... well, I've had a number of discussions. I've talked to Mrs O'Donoghue about this matter. I've talked to Mr P. Dodson about it and I've talked to Tracker Tilmouth about it and I have talked to a number of people about it, and look, I may well in the future too. I am not taking the view that I can sort of run this thing. I am there to help, I'm from the Government and I'm very anxious that it materialises.

**JRNLS:**

ATSIC's view now seems to be that they would prefer the negotiation process go on rather than for either Government to legislate. Do you think it's possible still that a negotiated settlement can be achieved without legislation?

**PRIME MINISTER:**

Well, Geoff, I want this project to go ahead. I want it to go ahead in a way that is fair to the entire community, is fair to the company that is risking a lot of investment and is fair to the local Aboriginal community. Now they're pretty broad aspirations. I don't

really want to tie my hands as to a particular definition of how that should be brought about. The problem with doing that is if it doesn't quite happen according to the book, that of itself becomes the issue in the eyes of some rather than the overall goal of whether it happens.

**JRNLSST:**

Mr Howard, you're taking a very careful line on this in stark contrast to the line of the Queensland Government. Have they been ham-fisted and has Rob Borbidge perhaps delayed the process by...

**PRIME MINISTER:**

No, I don't think he's been the least bit ham fisted, not the least bit and I have kept in regular contact with Mr Borbidge and I don't think he's been the least bit ham fisted.

**JRNLSST:**

Prime Minister, has Cabinet made a woodchip decision and if so, why can't you tell us what it is?

**PRIME MINISTER:**

We've discussed a lot of matters this week and I think you know, your news editors will be happy with the throughput of news by Friday.

**JRNLSST:**

Mr Howard, you are reported to have said that if the Cape York Aboriginal community vetoed the Century Zinc budget, they would, quote, unleash redneck elements opposed to Aboriginal rights. Firstly, is that a correct assessment of your view and secondly, what people were you referring to in terms of redneck elements?

**PRIME MINISTER:**

Well I've made a number of remarks about this and some of those remarks were made in private discussions with individuals, some with a group of individuals and others publicly. Let me state my view, forgetting what I said in the past, let me state my view just very directly. If this project does fall over, it will be used, the fact that it fell over will be used by some in the community who don't want a co-operative approach to such issues as native title, as a demonstration that the process of co-operation and reconciliation can't work. Now I, contrary to what some people may have said about me and what some people may have written about me, I want the process of co-operation and reconciliation to work. I have a different view of that process from many. I don't repudiate anything that I have said in the past on this issue or on the broad question of Aboriginal affairs. I don't repudiate anything that I've said about it. I meant everything that I said but I do remain committed to a process of reconciliation. I remind you that since I have been Prime Minister I have sustained as much trenchant criticism from my own side of politics due to my refusal to propose a legislative

treatment of the pastoral lease issue as I have from some of my political critics and some within the Aboriginal community.

So don't imagine for a moment that it's all been one way traffic. This is a difficult, complex issue. It is an issue where the views of what I might call the political elite or political aficionados varies a lot from the mainstream of the community and one of one's responsibilities in this area is to try and bring the two together and that requires you not to take either what I would describe as a hostile attitude towards native title aspirations but equally not an excessively zealous one in favour of them because that is a view that will I think run the risk of forfeiting mainstream political support. So John, I don't want this project to fall over for a variety of reasons. The main one is that it is the biggest zinc deposit in the world.

We badly need some major projects up and running in this country. It will generate jobs. It will generate jobs for Aborigines. There's \$60 million plus the infrastructure package from the Queensland Government. It's the way ahead for the children of many of the older people in the community and I think it's very important it does go ahead, but I am concerned that if it falls over, some people, and some people may have described those people in the past as rednecks. That's a colloquialism used to describe somebody who has a primitively hostile view on certain issues.

**JRNLSST:**

Can I clarify, has Cabinet made a decision on the woodchips?

**PRIME MINISTER:**

I thought I'd indicated to you that if we had made a decision on that issue, we would announce it at a time that we thought was appropriate

**JRNLSST:**

You have not made a decision?

**PRIME MINISTER:**

I am not going to give any answer other than the one that I've just given.

**JRNLSST:**

Can I just clarify what you're saying about Century Zinc. Given that the Native Title Act doesn't give the (inaudible) there the power to veto a project, in what sense do you see local Aboriginal action as likely to pose such a threat that the project won't get off the ground?

**PRIME MINISTER:**

I don't think I'm saying that. I mean, I hope it does get off the ground and I've spent the last ten minutes using language that is not designed in any way to stop it getting off

the ground. I want it to get off the ground. I'm very keen that it get off the ground. I think what I should really do is encourage people, all the people involved to focus on reaching a solution that will get it going because I regard there as being enormous benefits flowing from it getting off the ground.

**JRNLST:**

You've described the legislation required as fairly benign, would it not...

**PRIME MINISTER:**

What legislation?

**JRNLST:**

The enabling legislation.

**PRIME MINISTER:**

Yes, yes.

**JRNLST:**

Would it not be a help, do you think in the debate to actually get that legislation drafted and exposed to avoid a lot of the type of...

**PRIME MINISTER:**

No I don't. I in fact think that that could have the opposite effect.

**JRNLST:**

On that legislation, you seemed to have expressed some pretty clear doubts about the extent to which the majority support is enjoyed for the project in the community.

**PRIME MINISTER:**

No I didn't think I'd done that. If I have given that impression then I didn't mean to.

**JRNLST:**

Could you give a clear indication of whether you think majority support exists for the project?

**PRIME MINISTER:**

I went out of my way a moment ago to make it very clear that we should all wait and see.

**JRNLS:**

What do you think is driving Mr Yanner in terms of his position on Century Zinc and do you think you should meet with him to discuss his concerns?

**PRIME MINISTER:**

I don't want to comment on anything Mr Yanner has said and I don't have any plans to meet him.

**JRNLS:**

Have you spoken to Donald McDonald about how you'd like the ABC to be run and about its financial problems?

**PRIME MINISTER:**

I've had a very general discussion with Mr McDonald. I spoke to him briefly today, really in a fairly lighthearted vein. As far as the ABC itself is concerned, I did of course have a discussion with Mr McDonald before the appointment was made by Cabinet. It is fair to say that he has no riding instructions from me. I wouldn't have said anything to him that I haven't said publicly. There's no secret agenda of the Government. My position is that I support the existence of an independent, balanced public broadcaster and televisual in this country. I believe the ABC has made a very significant contribution to communications in this country and to the cultural development and the sporting development of this country and I see a continuing role for the ABC, an independent role under the Coalition Government.

The question of funding is a quite separate issue. The question of the internal management of the ABC is something to be worked out by the management of the ABC in consultation with the board which will in a few weeks be under the chairmanship of Mr McDonald.

**JRNLS:**

Do you expect it to become less politically correct under Mr McDonald?

**PRIME MINISTER:**

I don't want to be pre-empted in any way by those sort of comments the views or formation of views about his administration. Look, I have expressed views quite openly and quite directly and until now exclusively on the ABC, about the ABC's position and I'll do that. I'll do that in relation to any other...just a moment... communications network, but let Mr McDonald run his own race, set his own pace. He is of course, and I don't disguise, a close personal friend of mine of long standing but he's a person of great ability, of impeccable character and his appointment I perceive as being quite well greeted and warmly received in the community and I think he will do an excellent job. The question of what happens to the ABC under Mr

McDonald's chairmanship is a matter for us to wait and see. I'm not going to make any predictions at all.

**JRNLSST:**

But Mr Howard, you said you haven't given him a list of riding instructions but surely you have over the last three months, you've repeated riding instructions because as you say, you've made your comments about political correctness time and again on the ABC and off it.

**PRIME MINISTER:**

Michelle that's not my view of what... a riding instruction is when you get the bloke on the side and you whisper in his ear and you say, this is how I want you to do it. I've hardly got anybody on the side and whispered in their ear. In fact, I have gone out of my way to be absolutely open about the reservations. I have, in no circumstances any suggestion that that constituted giving Mr Mc Donald riding instructions with respect is wrong. The consequence of that would be that one could never be able as Prime Minister to express a view about any publicly funded organisation through fear that a subsequent appointee to the headship of that organisation would be accused of having been given riding instructions.

**JRNLSST:**

Mr Howard, within recent weeks you've made a couple of comments on radio in relation to Austudy. In the context of Austudy for tertiary students, would you be willing to look at the introduction of a scholarship system?

**PRIME MINISTER:**

I don't want to get into detail on that John. I'll repeat what I said on Adelaide radio last Friday that there will always be available assistance, obviously means tested for students and I don't think I really want to go any further than that. We haven't made final decisions and I don't want to say something that starts a hare running which ought not to be running yet in the nature of things it is difficult to declare didn't start running.

**JRNLSST:**

Mr Howard, relations with the Democrats seem to be getting rockier and rockier. Does this augur well for the next session?

**PRIME MINISTER:**

I don't think they're getting rockier at all. I am quite happy to talk to Senator Kernot and I would be very keen to do so, quite happy to talk to her but until those discussions take place and depending on what comes out of them, you don't sort of suspend public advocacy. It's a very curious notion that says well, I mustn't be criticised or attacked until discussions have taken place even though there's no

guarantee that those discussions will lead to a positive outcome. I mean, I will go into any discussion with an open mind and I would hope that the Democrats will pass our major legislation. I really would, but so far things have not been too flash. We've had 28 divisions in the Senate and we've had Democrat support on one occasion and the Labor Party on 27 but the real, I've said this repeatedly, the real sort of test comes in August and September when we return and is an opportunity to have a vote on the major legislation, but I bear Senator Kernot and her colleagues no ill will and I would like to have a talk to her, not only about things that have already been presented to the Parliament but also some other issues that are going to be in the public arena fairly soon. I would like to canvass some of those things in broad terms with them.

**JRNLS:**

Does that include the budget Mr Howard?

**PRIME MINISTER:**

I don't want to speculate about that but ...

**JRNLS:**

.... condition of the Telstra sale, is it still your intention to deliver the full anticipated (inaudible) recurrent spending of the Natural Heritage Trust in this year's budget?

**PRIME MINISTER:**

We can't put a billion into the Natural Heritage Trust. I'm sorry, I may have misunderstood your question.

**JRNLS:**

My understanding is that you were planning to...

**PRIME MINISTER:**

I'm sorry. That matter is sub judice at the moment. It's being considered.

**JRNLS:**

Are you confident now that the Port Hinchinbrook project will go ahead?

**PRIME MINISTER:**

My understanding is that it probably will. The decision that Senator Hill has taken and which he conveyed to Cabinet yesterday was that subject to getting assurances about engineering practices from the developer, and he told me later in the day that the developer had said yes, he could give those assurances, that there would be no significant environmental damage and that the project will therefore go ahead. That's my understanding. I don't know any more than that.



**JRNLS:**

The advice from the Great Barrier Marine Park Authority is that you wouldn't know whether the damage has been done until it had been done. Has that not weighed on Cabinet in terms of...

**PRIME MINISTER:**

The decision was taken by Senator Hill. It was not subject to a detailed Cabinet discussion although there was some brief reference to it and he told me that he was satisfied on the environmental score. I must say that I have not gone into all of the details of it. I have had some discussions with him about it but he's very cautious and careful when it comes to the environment and I can't believe that on the material before him he had any serious reservations about the environmental consequences.

**JRNLS:**

Mr Howard, what's the status of the meeting with Senator Kernot? She's threatening to pull out. Is it your understanding that she would (inaudible)?

**PRIME MINISTER:**

We had a talk and I'm going to probably make contact with her again and I mean, I don't want to say any more than that.

**JRNLS:**

Can the economy sort of stand for the sort of wage rise that the (inaudible)

**PRIME MINISTER:**

Which one?

**JRNLS:**

(inaudible)

**PRIME MINISTER:**

That's a bit of an ambit claim. I think the observation one ought to make about wages is that some of the concerns that existed very early in the Government's term about wage increases and wage growth appears to have subsided and the latest indicia from the statistician on wages growth is quite reassuring so I, rather than sort of respond to every story about large wage claims by the ACTU in a critical fashion, I'd rather draw attention to that.

**JRNLS:**

Would you then reindorse these comments you made on interest rates on 3AW radio in March that the budget would lead to lower interest rates?

**PRIME MINISTER:**

I thought I said, and you will correct me if I am wrong, I thought I said it would reduce some of the pressure...

**JRNLS:**

No, you changed that wording afterwards, after the interview.

**PRIME MINISTER:**

What, in the transcript?

**JRNLS:**

No in subsequent comments by yourself.

**PRIME MINISTER:**

Oh I see, all right, well I still hold very strongly to the view that the lower the deficit, the less pressure there is on interest rates, yes.

**JRNLS:**

... delivery of \$8 billion on spending cuts in the next Budget will perhaps lead to lower interest rates?

**PRIME MINISTER:**

You can never so precisely or directly quantify it like that, never. You can only talk about broad orders of magnitude when it comes to influences. You can't say "x" cut in the deficit will deliver "y" reduction in interest rates. You can say "y" is more likely to happen if "x" is reached or exceeded. That's all you can ever say.

**JRNLS:**

On firearms regulation, is there an agreement with the states about the payment of compensation the funds made available from the Commonwealth to the states? Will the Commonwealth be making those funds available up front, or what is the arrangement for money going for the levy to the states?

**PRIME MINISTER:**

There are the normal administrative arrangements but the compensation schemes will be run by the states because they will actually handle the payment of the compensation.

**JRNLS:**

The states won't see the funds before they have ...

**PRIME MINISTER:**

I beg your pardon?

**JRNLS:**

The states won't see more money before they hand over...

**PRIME MINISTER:**

What do you mean, see our money? I mean, it's been legislated for.

**JRNLS:**

The police ministers told ...

**PRIME MINISTER:**

We've taken the hit.

**JRNLS:**

The police ministers told Mr Williams they would prefer to have the money up front..

**PRIME MINISTER:**

The states always say that.

**JRNLS:**

But will they...

**PRIME MINISTER:**

And we always say, well you do your bit and then we'll provide you with the money.

**PRIME MINISTER:**

... and we always say well you do your bit and then we'll provide you with the money.  
Can I assure you Karen it will be worked out amicably.

**JRNLS:**

Mr Howard, did Rob Borbidge give a particular guarantee about the federal legislation ... (inaudible).

**PRIME MINISTER:**

No the nature of our discussions has never been one of, sort of, seeking guarantees, demanding this or demanding that. I have a very cooperative relationship with Mr Borbidge and we talk about things, we reach agreement where we can reach agreement, we agree to disagree on some issues and that's how I intend to keep it.

**JRNLS:**

Have you exhausted the question of whether or not the Century Zinc project could go ahead under the Native Title Act rather than having to pass legislation to short circuit or get around the Native Title Act .. (inaudible)?

**PRIME MINISTER:**

Well one of the problems, of course, is that the earlier attempt by the company to trigger the operation of the Native Title Act was denied by the former Labor Government in Queensland. In February of 1995 the company approached the Goss Government to trigger the operation of the Native Title Act and that approach was rejected. One explanation for the rejection ...

**JRNLS:**

... if it had of been triggered by the new Government it seems ...

**PRIME MINISTER:**

Well in fact the relevant direction, or whatever it is, under Section 29 is that it was, in fact, issued in June. Which, I mean, you could say that's a few months after the new Government came to power, what three months. The truth is that the past was sold on going under the Native Title Act by Goss' refusal in 1995 apparently, this may not be right, but perhaps because he believed that the grant of a pastoral lease extinguished Native Title and therefore Native Title was not a problem. Now the company, having tried that route and having been rebuffed by the former Labor Government in Queensland, then decides to go down another path. It's hardly surprising that it should want to see that path reach its destination before changing track yet again. I don't think you can really accuse the company, on the information available to me, I don't think you can accuse the company of not having tried in 1995 to trigger the operation of the Native Title Act and having, in fact, been rebuffed by the Goss Government.

Thank you.