



PRIME MINISTER

5 September 1996

**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD, MP
PRESS CONFERENCE, MAJURO**

E & OE.....

Ladies and gentlemen the forum meeting finished this morning, the communique is in the process of being issued and there will be a briefing by President Kabua. I'd just like to say a couple of things on behalf of Australia. As you know this is the first forum meeting I've attended as Prime Minister. As I indicated yesterday, Australia does regard this gathering as being a very important expression of Australia's regional responsibilities. We have maintained a very heavy emphasis on aid for the Pacific area despite cut backs in other areas of the Budget the amount of aid going to Papua New Guinea and to the South Pacific has been maintained at virtually the same level as in 1995/96. The needs of countries in this region, of course, vary enormously. I'm very pleased to say that there is an acceptance of the need for ongoing economic reform. It's very difficult to talk about economic reform when you're addressing some very tiny island states but even in the smallest of countries there's a realisation that such things as private sector efficiency and being competitive in world markets is the pathway to economic growth and employment growth. There is an acceptance that the world is moving towards an era of much lower levels of protection and tariffs. The goal of APEC is one of a tariff free environment into the next century and in those circumstances some of the protective arrangements that have existed in the past will no longer hold sway. I drew considerable satisfaction from an acceptance by all the participants about the importance of economic reform. The forum agreed to inaugurate a series of economic ministers' meetings which will take place prior to the annual forum meeting. The first of those will be hosted by Australia and will take place sometime next year before the annual meeting of the forum which next year will take place in the Cook Islands. It was also an opportunity for me to have a number of bilateral discussions particularly with the Prime Minister of New Guinea, Sir Julius Chan, and at a personal level it was an opportunity for me to meet in most cases, but not all, for the first time the leaders of Pacific island states. I found it a very valuable learning experience, it was a good opportunity to express on behalf of the new Government the goodwill of Australia towards many of these tiny countries, the willingness of Australia to play a constructive aid role but recognising that increasingly

aid provision will be linked with economic reform and economic change. It is not ever a question of seeing aid as being the salvation of the problems of under-developed small countries, it never can be. Intelligently used, properly targeted overseas aid can be of considerable help but without internal economic reform and the acceptance of the need for that reform long term goals for the achieving of higher living standards are simply not going to be achieved. I'd be very happy to take any questions.

JOURNALIST:

Do you think that some of the smaller states are going to survive in this ... I guess, harsher new economic world?

PRIME MINISTER:

Well I don't see it as a, so much as a harsher economic world, I see it as a more realistic world and obviously, and this is acknowledged in the communique and I acknowledged it during the discussions, that pace of change is going to vary from state to state but in the long run the nature of the world as we move into the 21st Century will be one of freer trade. I'd prefer to use that expression because it's a more realistic expression and I believe that the fact that there is an acceptance of that is an important advance. I also accept that the continued provision of well targeted aid from a country like Australia is important to the economic future. We give these countries, we give of course something like \$300-odd million to PNG and there's a figure of something like \$140-odd million going to the other countries. Now that's a very large provision and it's very important to their future and we place very great significance on it, but hand in hand with that has to go an acceptance of the importance of economic change and reform. I think I may have mentioned to you yesterday in the background briefing the experience of a country like Mauritius which, over the past few years, has followed a programme of fairly vigorous economic reform and change with low levels of protection, low levels of Government intervention, and the living standard of that country has risen quite significantly. Now, that is a big country compared with many of the countries in this part of the world and I don't underestimate the scale of difficulty but equally the experience is that if you imagine that the only way to lift up the economies of tiny island countries is to continually provide aid and assume that will do the trick, past experience has demonstrated that that doesn't work either. You need a combination of the two. You need intelligent programme aid which seeks to improve the infrastructure and you also need intelligent reform programmes. You can't have one without the other.

JOURNALIST:

As a corollary to that would you then say that perhaps in the past some of the aid has not been spent as well as it perhaps could have been?

PRIME MINISTER:

Oh look I don't want to get into name-calling or aid criticism. I simply express to the future of our commitment to having well targeted programme aid.

JOURNALIST:

...pressure over its stand on Greenhouse gas emissions?

PRIME MINISTER:

No, I wouldn't say we came under any pressure. Everybody wants, as the communique says, further progress towards reducing greenhouse gas emissions. We all want that. We have come a long way. We've reduced the rate of growth in those emissions by something like, from some figure of about 3% to 0.5% since 1990 and we've signed up some agreements with a number of the major companies in Australia. We made it clear in Berlin that the mandatory targets were convenient to the Europeans and the Americans, but because of the nature of our economy they didn't necessarily harmonise with Australia's national interest. Now, I made that plain in the discussions in which I've been engaged. I think there is an acceptance of that. I think it would be wrong to say that we came under pressure. The issue came up, it was dealt with in the communique; I explained Australia's position; I associated Australia with the aspiration of achieving the goal of reduced greenhouse gas emissions but I pointed out the reasons for our reservations at Berlin.

JOURNALIST:

... that the Australian delegation moved to change the wording to 'reduction in growth', there was considerable argument about that. The final wording was 'lower'... a vaguer reading....but still not as strong as the original resolution that was put up. Didn't we work fairly concertedly to water down the wording of the resolution?

PRIME MINISTER:

Well, if we had, that wouldn't be inconsistent with what I've just said.

JOURNALIST:

... there is general disagreement...

PRIME MINISTER:

Well, I can only report to you what happened and what I report to you is that there was a change in the communique, some words that I put in but they were different from the original words and I had them put in because I wanted our position to be accurately reflected.

JOURNALIST:

Didn't Australia water down the original resolution?

PRIME MINISTER:

Well, you can't, at something like this unilaterally do anything. The amendment I put forward was accepted and if you are talking about the work that went on at the officials level, then there was a change made there because the original draft was factually inaccurate. It did not correctly reproduce what had been said at Berlin.

JOURNALIST:

Prime Minister, France is back in as a dialogue member as of a meeting on Sunday....

PRIME MINISTER:

Well, I didn't know that. I'm grateful for the information.

JOURNALIST:

Australian officials have made it quite clear that it would be perhaps more fitting if they returned next year. What is your position on that?

PRIME MINISTER:

Well, I don't know exactly what was said at the officials discussion on that but the indication I gave at the retreat yesterday was that I thought in principle France should come back and I was very happy to go along with the consensus about timing and if France...

JOURNALIST:

So you don't have a problem with them coming back in?

PRIME MINISTER:

No, I don't. No look, once a decision has been taken to admit them as a dialogue partner, I don't think it matters.

JOURNALIST:

But doesn't it mean that the suspension has no practical effect?

PRIME MINISTER:

No it doesn't because the testing has stopped.

JOURNALIST:

Prime Minister on your way here you said that you wouldn't be changing the policy on guest workers. What in once talked about the 1000 workers and their families coming back from...(inaudible)... What have you said to them about this

PRIME MINISTER:

Well, our position is that we have a longstanding policy of not having guest workers and there are all sorts of very strong policy reasons for that. We have a non-discriminatory immigration policy and I've explained that to the one leader who raised the matter with me and that people are entitled to apply to emigrate to Australia in accordance with the criteria of that non-discriminatory policy but it would be very bad policy for us to water down our long standing objections to anything that represents the acceptance of guest workers. It would create all sorts of difficulties and would immediately open up requests from other countries to be given a similar treatment and we would have a whole new boundary of difficulty and argument and discord in relation to a policy area that is never very free from controversy.

JOURNALIST:

Is there point when you see Australia become....(inaudible)... quite a large number of people coming back so...

PRIME MINISTER:

Well, I don't know how, as I am presently advised, you can deal with this problem which doesn't involve the introduction the concept of guest workers. I really don't.

JOURNALIST:

..(inaudible)... and it now of growing international concern. Any changes in Australia's position?

PRIME MINISTER:

No absolutely not. In the answers that I gave yesterday, I think contemplated possibility of a further strike and what I said in that context stands today. I know that some countries have been critical or equivocal, others have been quite firmly in support. I have no doubt at all that the stance the Australian Government has taken is correct and I've got little doubt that it will enjoy the support of most Australians. I notice that it has drawn the support of the Opposition Leader, Mr Beazley, I thank him for that, and it is important on issues like this that as far as possible there be bipartisanship and to the extent that the Opposition feels able to do that well that is good for the quality of decision making in Australia.

JOURNALIST:

Do you have any concern the France, Russia and ... Britain have expressed their reservations...?

PRIME MINISTER:

Did you say Britain?

JOURNALIST:

Yes, some conservative leaders

PRIME MINISTER:

Which ones?

JOURNALIST:

Ted(inaudible...).

PRIME MINISTER:

Ted is always out of step with the regiment these days.

JOURNALIST:

On a personal note are you aware that you are developing a style ... as Prime Minister given it is your first overseas trip and if so, how would you define that style?

PRIME MINISTER:

Oh I wouldn't be so presumptuous as to say that I had a quieter style of diplomacy based on one visit. Perhaps in a year's time you might come back and ask me that question but I found the experience very valuable. I will as you know, be going to Japan and Indonesia in about eight days time and that's a very important visit. But it shouldn't be regarded as - this particular visit and this particular forum - shouldn't be played down simply because many of the member states are small. They comprise a disparate group of nations in a region that the rest of the world sees Australia having particular responsibilities in and for, and it's very important if we have a proper appreciation of our role in the world to see that. But give me a year or two and I might have some reflections on diplomatic styles.

JOURNALIST:

Mr Howard Malaysia's ... dialogue partner to the forum. Do you think that could increase the scope of the forum countries to influence the Malaysian Government in respect to the activities, some of them criticised, the Malaysiancompany, particularly in Melanesia?

PRIME MINISTER:

Well I could, I wouldn't like to jump to any conclusions though.

JOURNALIST:

Have you heard the news of the death of senior journalist Robert Haupt and what are your reactions?

PRIME MINISTER:

Well, I have and I'm very sorry to learn of that. Robert, who I knew quite well, I met him when I first went to Canberra in 1974 when he was a journalist for the *Australian Financial Review*, to which he ultimately returned, was one of the most elegant writers within the Canberra Press Gallery and generally that I've come across. He did write very well. In a comment I made last night to one of your colleagues I thought his stint, the pinnacle of his journalistic career was the time he spent in Moscow when the Soviet Union was disintegrating and he along with Monica Attard, who was then the ABC correspondent in the Soviet Union, demonstrated the very best qualities of accurate, interesting, descriptive journalism. I'm very sorry he died at a very young age. It is a loss to Australian journalism. He was a quality act as far as journalism is concerned and I send my sympathy to his family and friends. I know he'll be missed by many of his colleagues in Australia and in other parts of the world.

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