



PRIME MINISTER

11 November 1996

**TRANSCRIPT OF THE PRIME MINISTER
THE HON. JOHN HOWARD MP
PRESS CONFERENCE - PARLIAMENT HOUSE**

E&OE.....

Well, good afternoon ladies and gentlemen. I'd just like to say one or two words about the historic decision of the Victorian Government to transfer that State's industrial relations powers to the Federal Government. This will end 90 years of a situation where we have had a totally dual system of Industrial Relations in Australia. It represents a very sensible decision by the Victorian Government to end participation in a field which can be more effectively occupied at a national level. It is of course a ringing endorsement of the Federal Government's approach to workplace relations. It will be of significant benefit to small and medium size businesses. I say to the business community of Australia, every day virtually, you call for a reduction in red tape, you call for an elimination of duplication, you call for an end to the overlap between the Commonwealth and the States. Here we have an example in a key area of the second largest state in Australia acting because of the friendly, cooperative relationships that exist between that State and the new Coalition Government acting to give effect to it. I applaud the decision of the Victorian Government. I congratulate Peter Reith and the Victorian Ministers for the intelligent way in which they have negotiated this decision and I regard it as a victory for pragmatic federalism. Pragmatic federalism is when you take opportunities as they come along to remove duplication and waste and overlap rather than the pie-in-the-sky, airy-fairy federalism which first seeks to put in place an overall grand plan and a framework and doesn't do anything to fix up things when they can be fixed up until you've got the grand plan in place. This in the industrial relations area represents more progress than has been achieved in many other areas without fanfare, without rhetoric, because people have sat down and negotiated in an intelligent, pragmatic fashion.

I have another announcement to make but I'll come to that after your questions.

JOURNALIST:

None of the Premiers seem to be too confident that you'll be able to get rid of duplication in other areas on Friday, Mr Howard.

PRIME MINISTER:

Well just as this announcement has come as a surprise you can always expect in politics there'll be other surprises.

JOURNALIST:

Will you be holding talks with other States to see, particularly New South Wales, to see if they'll follow suit?

PRIME MINISTER:

If I were John I wouldn't be telegraphing it.

JOURNALIST:

Mr Howard, who instigated this deal and how long have you been negotiating it for?

PRIME MINISTER:

It was a natural coming together of like minds.

JOURNALIST:

When Mr Kennett first raised it....

PRIME MINISTER:

It's been going on for some time and I give all credit to Mr Reith, my Minister, and to the Ministers in the Victorian Government.

JOURNALIST:

When do you expect it to take effect?

PRIME MINISTER:

When do I expect what?

JOURNALIST:

The changes, the legislative changes, to take effect?

PRIME MINISTER:

Well, just as soon as the legislation has been passed through the Victorian Parliament. You've got to... it's got to go through Victoria and then it can go through here.

JOURNALIST:

Mr Howard you would like the other States to follow to though wouldn't you ...

PRIME MINISTER:

Michael, I've learnt long since in these things that you are grateful for what you have. You then beaver away and if you have a bit more you say something about it. But you don't start making big announcements. I'm not giving any hints or giving any advice - gratuitous or otherwise - to the other States, I'm just pleased to announce what we have achieved today. And I'm very pleased that it's a demonstration to those people who cynically suggested that the reform process had died in the sand, that there's a lot of pragmatic reform in this Government. We're not about trumpeting it from the roof tops but we are about intelligently working behind the scenes and when we have a deal, we'll announce it and then we'll go on to the next deal and see if we can get that worked out as well.

JOURNALIST:

Mr Kennett wouldn't give away something for nothing. What's the pay back, tax reform?

PRIME MINISTER:

Nothing. I mean, do I look like the sort of person who would engage in that kind of trade-off?

JOURNALIST:

When Mr Kennett actually first raised it in April he was seeking a trade-off...(inaudible)...

PRIME MINISTER:

Well, John I can assure there are no trade-offs. Look, this is a win-win situation for Victoria and the Commonwealth, that's why Mr Kennett has done it. I mean, Mr Kennett has once again demonstrated his reform credentials and we are demonstrating a capacity to achieve pragmatic reforms in very important areas.

JOURNALIST:

...(inaudible)...once you accept the Democrat amendments you had(inaudible)...

PRIME MINISTER:

No, no can I tell you that's not right Tom. Discussions about this have been going on for some time.

JOURNALIST:

Prime Minister, how does it ...(inaudible)... your system when workers will still be able to remain in State awards?

PRIME MINISTER:

Well the whole sort of formal operation of the thing will be done at a Federal level.

JOURNALIST:

Mr Howard, what is your view on - how would you contrast your view on pragmatic federalism with that left to you by Mr Keating and Mr Hawke in terms of ...(inaudible)...?

PRIME MINISTER:

Well Mr Keating's greatest Federal-State reform legacy was of course to torpedo the Greiner-Hawke thrust in the name of bringing Hawke down as Leader of the Labor Party. I mean, you will remember the 1991 initiatives. You will remember that in 1991, for the first time you had real cooperation between a Labor Prime Minister and the Liberal Premier of the largest state and Paul Keating set about destroying that. So I don't reflect in any great sort of detail on the legacy that I picked up from earlier people. Look, I don't spend a lot of time comparing myself with Mr Keating and Mr Hawke. That's not meant disrespectfully, it's just that I can't see the point of it.

JOURNALIST:

What will this agreement mean actually for small and medium sized businesses in grass roots terms?

PRIME MINISTER:

They won't have to worry about flipping from one system to the other and they'll have the advantages of our you-beaut new system.

JOURNALIST:

In terms of transferring to the new you beaut system ...(inaudible)...?

PRIME MINISTER:

Well it will need what is contemplated in our legislation.

JOURNALIST:

Mr Howard are you satisfied you got your reaction right to the Malaysian Government following the riot the other day in ...(inaudible)...?

PRIME MINISTER:

Well David, I am satisfied. Let me take a moment to repeat, in full, what I said yesterday at Benalla. What I said was that I regretted what had occurred. I then went on to say that the reality is that when you visit another country you have to abide by the rules of that country, even though you may not like them. Obviously conferences on a whole range of things are the sorts of things that would be allowed in this country. I mean, I don't ever contemplate that this country would ban a conference being held on something of this nature. But the point I sought to make yesterday was that when Australians visit another country and they know or can reasonably be expected to know in advance that a certain activity they propose to engage in has been banned by the government of that country then they can't in relation to the activities of that government be heard to complain too loudly if what they said they were told was going to happen does in fact happen. That doesn't mean to say that I like it and it doesn't mean to say that it is the kind of thing I expect them to like. I mean, I can understand anybody feeling upset and angry that an activity which you would normally be permitted to engage in in this country you cannot engage in another country. But this is a point I have made frequently about relations between Australia and the nations of the region. We have to learn that there are differences between our societies. We do things our way and we don't take advice from other people as to how we should do them and other countries do things their way and all I sought to say yesterday, and I repeat it today, is that they went there with their eyes open. A decision was taken by the Malaysian Cabinet. It was announced so I am told on the 4th of November, it was announced, the organisers according to my understanding were locally-based people. I don't think they could seriously, the organisers of the conference, seriously plead ignorance of the decision that had been taken by the Malaysian Government. Now, that doesn't mean to say that I think things should be banned, I have my own views on that. I am simply making the point that if people are told that something can't take place and that it is being banned then when the Government that has made that decision has laid down that policy then gives effect to that decision then the people affected by it can hardly say they weren't warned.

JOURNALIST:

Mr Howard, why then does the Catholic Bishop who was arrested say that it wasn't banned, that it was authorised on the proviso that they conducted their proceedings in private and on invitation only?

PRIME MINISTER:

Well that is completely contrary to the advice that I have received from the Department of Foreign Affairs. I mean my comments yesterday and today are based entirely on the advice that I have received from the Department of Foreign Affairs that the matter was the subject of an explicit decision by the Malaysian Government to

impose a ban. Now that's the basis of what I've said and if the information that I have is correct, and I have had it checked again today, then I have no reason to believe that the analysis that I have made - it is not an analysis that lacks sympathy for the desire of people to lawfully participate in meetings and express views on issues - it is just a pragmatic statement of the reality when you are dealing with relations between states that if the law of another country, or the rules of another country, or the decrees of another country say you can't do something and you go there and you do that thing in full knowledge of those laws and decrees and mores then you can hardly be heard to complain too loudly if the consequences implicit in the original decision are in fact delivered.

JOURNALIST:

Are you saying that in relation to Catherine McGrath given that she was merely a journalist covering the meeting rather than...(inaudible)... Have you got a distinction between her position and her being detained and the other... (inaudible)...

PRIME MINISTER:

Well I always am very respectful of the differences that should be drawn between journalists and their participants in proceedings but I think it is fair to say that a person of her background and standing would be as cognisant as anybody else of the fact that the meeting was taking place and unless there is some international covenant or law of which I am unaware that gives a special treatment in relation to journalists then it's inevitable that the comments that I have made have some application to her as well.

JOURNALIST:

So the Bishop Deakin and the Australian reporters, did they get it wrong that they were unaware of the fact that it was banned?

PRIME MINISTER:

Well what I am saying, and I don't know precisely what Bishop Deakin has said. What I am saying is that my information is that the meeting was banned, banned by the Malaysian Government. That was made known at a Press Conference. The decision was taken on the 4th of November. In those circumstances I find it very hard to believe that the organisers of the conference didn't know that the decision had been taken.

JOURNALIST:

Given that the delegates knew it was banned, do you think they were harshly treated by being detained for 24 hours and then deported?

PRIME MINISTER:

Well I have had mixed reports about their treatment and I will continue to monitor those reports and the initial reports were that although they were very unhappy and

they were scared and they were disconcerted by what had occurred, the initial reports were that they had not been mistreated. Now, if reports I subsequently receive suggest otherwise well I may have something further to say about that. I never want to see Australians badly treated overseas, never ever, and when I heard the news reports about this incident which I think I first broke on the ABC News on Saturday night, that was certainly the first I saw it, I then got straight to my office to be in touch with the High Commissioner in Kuala Lumpur to find out what happened and I had a report on it within a few hours and the indications were broadly to the effect that although the meeting had been broken up people had not been badly treated and the initial news reports, the interviews with Catherine McGrath indicated that there had not been any physical abuse involved although obviously it was a very distressing incident.

JOURNALIST: What's your view of the way ...(inaudible)... It was a group of political supporters of the Government rather than a police....

PRIME MINISTER:

Well I know you are trying to get me to give a running commentary on the domestic policies of Malaysia and then perhaps some of you might run away and say well you know a problem has been created thereby between Australia and Malaysia. Let me simply say that different countries do things differently. I mean we do things our way other countries do their way and I thought the whole modality that we understood and accepted in this country was that if we are to have sensible relations with the nations of our region we ought to understand what they are and also what they are not. There is a tradition of free public assembly in Australia which is almost unique in the world. We are always going to be different on things like that. I think proudly different on things like that from other countries, but if we are to be able to live in this region we have to, all of us, sort of understand that and I think that is very very important in the context of a whole lot of debates that have occurred in recent times.

JOURNALIST:

Does that mean you're keen to be a strong advocate of free speech in Australia but you are not willing to extend that empathy for free speech within our region....?

PRIME MINISTER:

I think what it means is that I don't see my role as the Prime Minister of this country to give endless moral lectures to the rest of the region.

JOURNALIST:

Mr Howard, on the question of tax reform. Do you accept that there is now almost universal calls for tax reform or an overhaul of the tax system and do you have any intention of setting up some sort of process of tax reform in your second term?

PRIME MINISTER:

I don't accept that there is almost near universal support for it. For example, I understand that the alternative government of this country is still root and branch opposed under any circumstances to a goods and services tax, so if you are looking for unanimity, that is a

JOURNALIST:

...(inaudible)....

PRIME MINISTER:

Well, everybody believes in some kind of tax reform. Our position is very simple. We said during the campaign we wouldn't introduce a GST in our first term, that remains our position, it is plainly stupid, plainly stupid to be talking about what we are going to be doing during our second term when I'm only just settling into my first term. And I'm really just not going to, I mean you can try as long as you like and I know you will, but I'm just not going to keep repeating, I mean, I'll keep repeating that but I'm not going to alter it, we are not going to have a GST in this term. What happens in the next term - well, as we get closer to the imminence of the next term, then I'll be happy to entertain some questions on it, but it is what - eight months, the next election is due in March of 1999.

JOURNALIST:

The Small Business Deregulation Taskforce....one of the reports has suggested, a broadly based.... and reduce the number of...(inaudible).. does that sit with your election promise not to increase tax?

PRIME MINISTER:

Well, it depends a little bit on how you interpret the recommendation. We are considering the report. We haven't taken any decision on it, so I don't think the question of whether or not our election commitment has been kept arises, because we haven't taken any decision.

JOURNALIST:

You were saying that the Opposition hadn't embraced a tax reform. Are you saying it would be almost impossible in this country to get any meaningful tax reform unless it is bipartisan and embraced by the Labor Party?

PRIME MINISTER:

No, I was just making the observation. I don't really want to say any more than that. I was making the observation in reply to Mr Burton's observation that everybody is in favour of it. Perhaps I'm being over respectful to the Labor Party but I thought if the everybody doesn't include the alternative Government then it is not quite everybody.

JOURNALIST:

What's your second announcement?

PRIME MINISTER:

Oh I'd almost forgot. I wanted to announce that I've appointed a new Parliamentary secretary to replace Brian Gibson. Senator Macdonald, Senator Ian Macdonald from Queensland will become Parliamentary secretary to Senator Hill and Senator Ian Campbell will become Parliamentary secretary to the Treasurer. It's just - Campbell goes to the Treasury and Macdonald comes into take Campbell's place beside Hill and everything else is exactly the same, no other changes, nothing else foreshadowed and I'll have two more questions. Is there anybody who hasn't had a go?

JOURNALIST:

Do you expect that that might satisfy some of your critics in Queensland who say that the Libs are a bit over-represented?

PRIME MINISTER:

Are you from Queensland are you? I don't have any critics in Queensland.

JOURNALIST:

Are you concerned about the allegations that have been raised about the operations of the Special Broadcasting Service and would you favour an amalgamation of the ABC?

PRIME MINISTER:

Well, the allegations about the Special Broadcasting Service are the subject of an investigation by the service called for by the Minister and in advance of that I'm not going to say anything about them. They are merely allegations and I'm not going to try and say whether they are right or wrong. I don't know.

JOURNALIST:

Do you favour and amalgamation?

PRIME MINISTER:

It's not our policy to do so.

JOURNALIST:

Prime Minister have you checked out the shareholdings of the new Parliamentary Secretaries?

PRIME MINISTER:

Have I? Well, he will be required to make the usual declaration.

JOURNALIST:

But you haven't....

PRIME MINISTER:

Well I only spoke to him a few hours ago, so it is a bit unreasonable to have firstly expected him to put his declaration, me to have examined it. I mean I spoke to him this morning and after that I went off to the remembrance day service and I did a couple of other things there, and then I had a meeting and now I'm talking to you, and I know I'm very efficient Mr Farr but that's ... look, he will be required to make the declaration in the normal way and I will have a look at it.

JOURNALIST:

When will you expect that declaration to be in?

PRIME MINISTER:

Within a normal period of time. Well, I'll decide what that is. I probably give him a couple of weeks.

JOURNALIST:

Mr Howard, who should bat Number 3 for Australia in the upcoming test series?

PRIME MINISTER:

Well, I mean, I think if he were really available Boon would be terrific but I don't think I should go any further than that! This is the last question. This is getting out of hand.

JOURNALIST:

You've got today's latest housing figures. Do you think that's showing good signs for the economy?

PRIME MINISTER:

Well, they are on the face of it, they are very good, but I never get excited by one month's figures. I think it is always very foolish to get carried away positively or negatively by one month's figures but in themselves they are good but I think it would be very foolish and counterproductive of me to get carried away by one month's figures.

Thank you very much.