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17 June 1997

**TRANSCRIPT OF THE PRIME MINISTER
THE HON. JOHN HOWARD MP
DOORSTOP INTERVIEW - FAIRBAIRN RAAF BASE,
CANBERRA
- BEFORE DEPARTURE FOR US/UK OVERSEAS TRIP**

E & OE.....

(tape starts)

PRIME MINISTER:

.....no solutions to today's problems. It is important that governments of Australia know the personality of the new British Government. You will see as the trip unfolds that it is very much a working visit to two very close friends and it's important that the Prime Minister of Australia maintains close personal relations with the Prime Minister of Britain and the President of the United States. I don't recall Mr Beazley using that language to describe Mr Keating's many trips overseas.

JRNLS:

.. issue like unemployment?

PRIME MINISTER:

Yes. Mr Blair was lucky. He inherited a low unemployment rate from his predecessors. I inherited a high one.

JRNLS:

When you meet the Queen do you expect to brief her on the Convention?

PRIME MINISTER:

The long standing custom is that you don't foreshadow nor do you report upon afterwards the subjects of discussions with the Queen.

JRNLS:

What about the cricket, Mr Howard? You will be hoping for a good result in the second Test?

PRIME MINISTER:

Well I certainly will be. I wish Mark Taylor and the boys the best of luck. Lords is a very happy hunting ground for Australian cricket teams. It's probably our most successful ground in England and after the disappointment of the first Test but the pleasure of seeing Mark Taylor's recovery, I think it's very warming that he's back in form and I know all Australians look forward to a reversal and a victory for Australia at Lords.

JRNLS:

(Inaudible)

PRIME MINISTER:

Well I've got a lot of people to see and a lot of things to do but it's certainly great to have two Australians in the finals. It really is marvellous and that will be followed with enormous interest.

JRNLS:

What will you have to say to President Clinton regarding greenhouse gas emissions?

PRIME MINISTER:

Well I will be putting the Australian case and the Australian case is that we are entitled to differentiation. If the targets now being talked about are implemented, that will destroy thousands of Australian jobs. It will rip about 1.5% off of our GDP and that alone is good reason for my going to Europe and the United States to put the Australian case directly to the governments and that is the most effective way of doing it.

JRNLS:

Do you expect them to listen though? Haven't they really made it their mark
(inaudible)

PRIME MINISTER:

Well I don't think the American business community has made up its mind and there are already some very encouraging signs that the American business community is becoming concerned about the implications for it of some of the targets that are being spoken of. So my going to America at this time is really very appropriate and very timely.

JRNLSST:

Mr Howard, Gareth Evans says a GST would be an administrative burden for small business. How did the talks go last night and GST, how was that received by the back bench?

PRIME MINISTER:

There's overwhelming support in the Coalition parties for tax reform. The way we're going with our personal tax rate is that everybody will be on the top rate of tax in a few years time. Certainly, all middle income earners and many people who would regard themselves as modest income earners. I mean, if we leave it as it is everybody will be sucked in to the top marginal rate eventually and that's just crazy and you do have to do something about that. You do have to reform the system. Gareth Evans ten years ago thought it was a great idea to have a GST but that inconsistency is his problem, not mine.

JRNLSST:

Kim Beazley says this trip is a joke and a junket. What's your response to that?

PRIME MINISTER:

That's the sort of petty remark you'd expect from an Opposition Leader flailing around for something to say and just for the record, by going commercial on this occasion I am saving the Australian taxpayer over \$400 000 and there are other reasons for going commercial but I think it's worth recording that by doing that there's a saving of between \$400 000 and \$450 000 to the Australian taxpayer. As I said before, I didn't recall either Kim Beazley or the well-travelled Gareth Evans criticising overseas trips by my predecessors. I think the days when Australian Prime Ministers were criticised for going abroad on appropriate occasions ought to be behind us. It's a sign of immaturity and it's a sign of the childish fecklessness with which Mr Beazley and Mr Evans are increasingly treating public debate in this country.

Thank you very much ladies and gentlemen.