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**PRIME MINISTER**

22 June 1997

**TRANSCRIPT OF THE PRIME MINISTER  
THE HON. JOHN HOWARD MP  
DOORSTOP INTERVIEW FOLLOWING THE ANNOUNCEMENT OF THE  
LEAD-IN FIGHTER PROJECT  
WARTON, UK**

**E&OE**.....

**PRIME MINISTER:**

(tape starts) contract to be signed next Tuesday in Australia is the tremendous boost that it will bring to Newcastle. There will be a \$60 million injection of money into the Newcastle economy over the next few years. There'll be 150-200 high quality jobs generated and importantly a high-tech new industry for the district. And the hope that if more countries in the region buy the Hawk's then Newcastle, Australia can become the regional maintenance centre for the aircraft and this is the very spark of optimism and hope that areas like Newcastle in Australia really need.

**JOURNALIST:**

Do you think you'll train the steelworkers to do it Prime Minister?

**PRIME MINISTER:**

Well, it won't be until next year, towards the end of next year that the first of the jobs become available, and there is no reason why, as a consequence of that lead time, there's no reason why there shouldn't be reasonable opportunities for people in the district to get the benefit of the employment. And the type of the jobs, it's a new high-tech industry, and what Australia must of course do is always be beckoning to new industries, particularly of the high-tech character, and recognise that as existing industries redeploy, and regrettably lay off workforces, what we have to do is to find new job opportunities. Now this is a high quality investment of, in a new high-tech industry, a \$60 million injection into the Newcastle economy. Now it's valuable, it's not the end of the problem, but it's a practical way of addressing the difficulties that are thrown up in areas such as Newcastle.

JOURNALIST:

Not much of a compensation though.

PRIME MINISTER:

Well it's not meant to be a compensation, I mean that's not the purpose. I mean the purpose is to look in terms of hope and optimism for the future, and the best possible thing that I can say to the people of the Newcastle area is that here's a new industry with new jobs, new injection of money, new hope and the prospect that if other countries in the region buy the aircraft, you can have an expanding maintenance facility in the Newcastle area servicing aircraft in the whole region. Now I would have thought even in the eyes and minds of the most cynical, that's good news.

JOURNALIST:

Is it possible that the government will be training steel workers to make the change?

PRIME MINISTER:

Well look we will obviously do everything we can to ensure that there is a maximum opportunity made available for locals, Newcastle locals, to get a crack at the jobs.

JOURNALIST:

Will that be involving training?

PRIME MINISTER:

Well there are a lot of things we can look at. I mean I'll be visiting Newcastle in July and I'll be talking to the community and there are a number of things that can be done. But what is important is to make practical decisions that help, not gimmicky things, but this is a solid injection of money, there are new jobs, new industry, new hope, new optimism, and that's what I think those who care about areas such as Newcastle, and let's remember it's not only Newcastle that's getting the benefit, people in Western Australia and Victoria and South Australia will also get a benefit out of the offset arrangements involved in this project.

JOURNALIST:

Is the idea of a referendum on tax practical or gimmicky?

PRIME MINISTER:

Well there are lot of options. I think we should all just calm down a bit on this. And there are a lot of options being kicked around at the present time. We haven't taken any decision, well there are number of options, and we haven't taken any decisions. We are looking at a whole range of options. What I can tell the Australian people is that we have the guts to address tax reform, the Labor Party doesn't. We have the

guts to say to the Australian people that the present taxation system is penalising savings, it's penalising initiative and penalising incentive, and we have to address it. Now the process of debate will take time. We haven't taken any decision to embrace a GST. Obviously as part of looking at the tax reform process you've got to look at the place of the GST in it, but there comes a time in the political life of any country where it has to honestly address deficiencies in its economic infrastructure. And one of the deficiencies in the economic infrastructure of Australia is its taxation system. Now I acknowledge that as Prime Minister and I am prepared to lead a constructive debate on it and I welcome the fact that my colleagues at the Party meeting before I left overwhelmingly expressed support for reform, and I say to the Australian Labor Party, don't get left behind on this. We are interested in building a better taxation infrastructure in Australia. We're going to look at all of the options and we're not going to be diverted by sort of saying well is this on the table or off the table, at every stage of the debate.

JOURNALIST:

Isn't the referendum proposal a bit of a political cop out?

PRIME MINISTER:

Look, how can you start talking about whether something's a cop out or not until such time as you've made a decision. Look I would expect over the next few months there'll be a whole range of ideas put up as to how you handle this issue. I'm obviously as Prime Minister promoting a proper debate. There are a whole series of options but any suggestion that we've decided to have plebiscite on tax is absolutely wrong.

JOURNALIST:

Mr Howard do you see any value in a plebiscite?

PRIME MINISTER:

Well I've put the position on that and I don't think there's anything I can add to it.

JOURNALIST:

But what about Ministers all coming up with ideas. Is that the way the debate should be conducted in the government?

PRIME MINISTER:

Well I think Laurie if you are interested in having a proper debate, I mean, you can't sort of have it both ways. I mean governments are bucketed for lacking courage and guts when they won't discuss anything, and when something is discussed in a fairly open manner, they then get bucketed for that openness. I mean you really can't win can you. The important thing to me is to get a better tax system in Australia, not to sort of have a series of debating checkmates along the path to that outcome. I mean I

want a better tax system, I'm very committed to it because we don't have a good enough tax system at the present time and if some people are interested in sort of diversions along the way and whether this is the right or wrong way of conducting the debate, well let them play those games, the only game I'm interested in is giving the Australian people a better tax system.

JOURNALIST:

Prime Minister having committed yourself to tax reform, wouldn't the next election be an effective referendum on it?

PRIME MINISTER:

Well Glenn, look we are debating the issue, and we're doing it in a courageous way, not a cowardly way, and I'm not going to start answering those questions at this stage. I mean it's entirely premature, we haven't even decided on the structure of the reform. We're talking about it, we're considering it internally, the way in which we handle it is obviously important politically, and I'm not blind to the political realities of this sort of debate, I know the Labor Party will play a negative, spoiling, destructive game. I know that. But I think the Australian people want more than that. I think they want their leaders to show a bit of guts and character on this issue and I'm not going to be diverted by suggestions that this or that is getting out of hand. I mean what really matters is where we end up. And if we can't deliver the Australian people a better tax system then I think we deserve to be judged harshly and so indeed do the members of the Labor Party, but how we go about it, well we're going to have a lot of debate and discussion about that and certainly haven't taken any decisions about plebiscites, referenda, this, that or the other. Of course there are ideas swirling around and so what? As I said a moment ago, you can't have it both ways. You can't bucket us for lacking courage and then when we start talking about something in an open way say this is outrageous, it's out of control. I mean you know, make up your minds.

Thank you.