

26 June 1997

**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD MP
RADIO INTERVIEW WITH ALAN JONES
WASHINGTON, U.S.A.**



E&OE.....

Alan Jones:

Prime Minister Howard is actually racing off to a meeting but we have just grabbed him. He is on the line in Washington. Prime Minister, good morning.

Prime Minister:

Good morning Alan. Nice to talk to you.

Alan Jones:

You too. Now, just a couple of things. Firstly, Hong Kong.

Prime Minister:

Well what has happened with Hong Kong is that we took a sensible national interest decision and in the last few days I gather that both the Americans and the British have decided whilst their foreign ministers will not be attending the swearing in of the new council, people further down the line will.

Now, I do not put a ..shout any triumph over that. I simply make the comment again that we took a decision, which I am sure the Americans and the British understood, that it was the right thing for Australia to attend the ceremony. I have got a pretty simple approach to these issues that you do what is in the best interests of your country and it was clearly in Australia's interests to do what I did and I do not think that we have lost any marks. In fact, if you promote your own country's interests you are always respected and understood.

Alan Jones:

Absolutely. Well, on that issue and the green house gas debate, I notice that Gareth Evans who until yesterday had been very critical of you and the Government, did say in the Senate in 1994, and I say this to offer this for the benefit of our listeners, Gareth Evans said this: Australia will play its part in reducing global green house gas emissions, but it will not take action which would have net adverse economic impacts nationally or on Australia's trade competitiveness in the absence of similar action by major green house gas producing countries. Similar to what you are saying.

Prime Minister:

Well, exactly. I mean, if we accept what the Europeans want, it will cost thousands of Australian jobs and it will reduce our gross domestic product quite significantly and that is why I am against it. I am not against Australia playing her part and we are doing a lot of things. The Natural Heritage Trust investment of a \$1 billion, that will help over time to address some of these issues but the bottom line of this whole debate is that the Europeans are arguing for something that suits them but that doesn't suit us, will hurt us, will do nothing to get the developing countries into the whole

process and there is no point at all in a situation where we are forced to push Australian industries and, therefore, Australian jobs offshore to other nations which will pollute the environment even worse.

Alan Jones:

Which is already filthy anyway.

Prime Minister:

Well exactly. And you will not get anywhere in the long term on this issue unless you get the developing countries in on it and you will not get the developing countries unless you allow different approaches for different countries according to their circumstances. I mean it is very easy for some of the European nations who do not rely on fossil fuel who are not net exporters of energy like Australia, to take a fairly moralistic view and say well look you should do this you should do that.

Alan Jones:

Well how much impact are you having? How much receptivity have you got?

Prime Minister:

Well I was very encouraged with the meeting that I had with the Speaker of the House of Representatives, Newt Gingrich. He made a very strong statement of understanding of our position. I am told that something like 60 to 65 Senators, which is certainly a blocking number, are against what the Europeans are proposing. I think the American Administration, when you look at what happened at the G8 meeting in Denver, is understanding the other point of view. I think we have made some progress. I was really very pleased at the response I got yesterday from the House Speaker and from a lot of people on the Republican side that I have met and there are some Democrats. This is an issue that produces different views inside the Democratic Party.

I will be seeing the President later today and it will not be the first time that I have raised this issue with him. I raised it with him when he was in Australia last October. And I have raised it with the Japanese Prime Minister and the German Chancellor. I certainly do not expect to shift the American Administration in one go. That is being unrealistic. It is a question though of the American Administration understanding Australia's position and respecting the fact that Australia has a national interest at stake. I mean what is involved here is Australian jobs.

Alan Jones:

Absolutely.

Prime Minister:

... investment and Australian interest. And

Alan Jones:

Pretty obvious really. You do not need to have a Harvard degree to know that do you?

Prime Minister:

Well you don't. And it is my job to stand up for Australia's interests and that is what I have been doing on this issue and it is really quite timely that I am in the United States at the present time because the debate over here is warming up. People are beginning to question whether acceptance

of the European position is sensible for the United States. I think you are seeing the beginnings of a very intense debate. There was a Senate hearing on the issue today. I have had the opportunity to put our point of view to the House Speaker, to the Leader of the Majority Party in the Senate, he is a Republican. I will be able to put it to the President later today and to the Vice President who of course is a very strong supporter of the control. It could not be...

Alan Jones:

On that basis, is it also timely given that you have had a fairly thumping success through an excellent performance by your Minister, David Kemp, earlier this week on the Work for the Dole scheme, you would have heard my introductory remarks. I mean America have created for all those millions of jobs, 12 million of them since 1992 and an unemployment rate of 4.8 percent. Will you be talking to President Clinton about that issue?

Prime Minister:

Well I certainly will and I had a discussion just a few moments ago, an hour or so ago with the Chairman of the Federal Reserve, Alan Greenspan, about the flexibility of the American labour market, and I will certainly be talking about the linkages that you need between jobs and education.

Alan Jones:

The big buzz is in America at the moment isn't it.

Prime Minister:

Well, it certainly is. And it is also something that I discussed at some length with Mr Blair.

Alan Jones:

It is not education though in the conventional sense is it? I think Americans are saying education is the answer, but what sort of education for unskilled. It may be that we need new policy initiatives about the kind of way we are educating them.

Prime Minister:

Well, I think what you do need is a more contemporary approach to training and apprenticeships. And that is behind David Kemp's proposals in that area and interestingly enough what the British are now doing in that area is very similar to what we have proposed. You need a variety of policies. You need to have a proper safety net, but you also need incentives so that people are encouraged to find work, and where necessary with our Work for the Dole proposal if they are not prepared to make a contribution in a society that is built on mutual obligations then there can be some consequences. I have no doubt at all that we are moving towards the right balance in that area. We do believe in the principle of mutual obligation. It is not unreasonable in a modern society to say to somebody we will provide you with a safety net if you genuinely cannot get a job but equally we expect you to do something in return. Now that was a principle I enunciated several months ago and I am very pleased that the measure has finally gone through the Senate. I just cannot understand why the opposition backed and filled for so long.

Alan Jones:

We will let you go. You have more important people to talk to you than Alan Jones. We look forward to welcoming you back home. Thank you for your time Prime Minister.

Ends.