

17 July 1997

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**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD MP
DOORSTOP - WILLIAMTOWN AIRBASE
NEWCASTLE**

E&OE.....

(tape begins)...purchased by the Royal Australian Airforce but there is the potential that if airforces in the Asia Pacific region also buy BAE hawks then this can become their regional maintenance and repair centre for the whole of the region and that will mean the generation of additional jobs and give further cause for optimism and hope for the Hunter region and I'm absolutely delighted to be bringing my visit to the Hunter region and near to a conclusion in turning this first site in a symbolic way and confirming this very, very important development as far as the region is concerned.

JOURNALIST:

Mr Howard are you still hopeful that this project could provide jobs for some of the displaced BHP workers?

PRIME MINISTER:

Well look, I'm hopeful that it will generate jobs. You can't sort of specify in something like that precisely who gets the jobs. Obviously some people who may previously have worked in the steelworks, they get employment here. Obviously others will get jobs. The important thing always is to encourage activities that generate jobs. And I think what Australia has got to do in the future is be positive and optimistic about job generation, think of the things we can do rather than lament what might have been. And one thing I've been taught very powerfully by the people of the Hunter Valley over the last couple of days is there's no point in looking back over your shoulder, there's no point in crying over spilt milk, there's no point in lamenting what was and what might have been and what, perhaps, should have continued in the eyes of some. What really matters is getting on with life, grabbing the new industries, the new future, the different future, the high tech future, the future that draws upon the strengths of this region and recognises that this country has the capacity to embrace leading edge technology and turn it to massive job advantage and create new opportunities for the people, particularly the younger people of this district.

JOURNALIST:

Do you think your visit here in the last two days will have helped reassure the people of Newcastle that the Federal Government is thinking of...?

PRIME MINISTER:

I have no doubt. I mean, I would have thought there were some very powerful messages said to the people of the Hunter Valley by me and on behalf of my colleagues. We care about them. We listen to them. We are concerned about their future. We understand that there is a human and a personal dimension to restructuring. The whole of Australia is going through restructuring. We can't avoid it. We have to face it. We have to deal with it. We have to deal with it in a positive fashion. It's no good being frightened by change. Globalisation is with us and will be with us forever. And people who imagine that somehow or other we can hold back the tide of change in globalisation don't understand the modern world as we come to the end of the 20th century. What this country has got to do is to enthusiastically embrace the opportunities that this globalised economic environment involves.

JOURNALIST:

What's your response to Hunter net regarding the Redbank Power Station today?

PRIME MINISTER:

I've offered to have a look at the concerns they raised. What happened was that the...what happened with that project was that the quite legitimate decision by the Government to cancel the old infrastructure bond scheme that was getting disgracefully and comprehensively thwarted by some imaginative but not very public spirited entrepreneurs. That was cancelled and they were sort of caught up in that and there is a replacement scheme and we're looking at their situation. I know it's an important project. It's got some attractive environmental facilities and features and I've offered to expeditiously look at what they put to me today.

JOURNALIST:

Jeff Kennett has expressed qualified support for the idea of a foreign trade zone but said that the fact that you're considering it is an admission that the tax system as it stands isn't good for industry or jobs. How do you react to that?

PRIME MINISTER:

Well, I always like to see the totality of what Jeff says before I react to it. But I know he has positive thoughts for the future of Australia and positive thoughts for the State of Victoria and we are at one on that score Michael.

JOURNALIST:

When will you make the decision on the (inaudible) thing?

PRIME MINISTER:

At the right time.

JOURNALIST:

Mr Howard, you said this morning that you did have your lawyers looking at it, is that an indication that...

PRIME MINISTER:

My lawyers?

JOURNALIST:

You said lawyers were looking at your options...tax?

PRIME MINISTER:

I said I was getting advice on foreign trade zones. I don't that my own lawyers are looking at anything. I hope they look after my affairs actually.

JOURNALIST:

The message that you brought to Newcastle about there being a great deal of hope and not worrying about the change that's ongoing. Is that a message that you'll be taking to the rest of the nation on your tour in the next...?

PRIME MINISTER:

Well, it's a message that you've got to give to the whole of Australia that we ought to start being optimistic and positive about our future. We have the best conjunction of economic fundamentals for 20 years - low inflation, falling interest rates, falling deficit, strong business investment, strengthening trade balances, attractive internationally, reformed industrial relations system. Put all of those things together, you haven't seen such positive encouraging beckoning economic circumstances in Australia for 20 years. And instead of looking awkwardly backwards we ought to be looking positively forwards. And I see a community in the Hunter Valley which is an example to the rest of Australia.

They've been kicked in the guts in certain areas but they've had the resilience and the pluck to put that behind them and get up and go and I think that's an example to the rest of the Australian community.

JOURNALIST:

What are the concerns that you hope to address in the next few weeks in the 18 electorates that you visit?

PRIME MINISTER:

Well, you have some local messages but the overall economic message is the one that I've just articulated. The opportunities for this country are really quite unlimited and the only inhibition that this country has is its own hesitancy and if it stops being hesitant and it understands that not only have you got that fortunate conjunction of economic circumstances that I've just described, but you've got the strongest performing American economy for 30 years, you've got the fastest growing region in the world in the Asia Pacific and we live cheek by jowl with it, you've got a strong economic partnership with Japan. All of those things together mean that we have such opportunities at the present time that we'll be judged as a very negligent generation by history if we don't take advantage of it.

JOURNALIST:

Prime Minister, you said you'd make inquiries about Hugh Morgan and the Reserve Bank, have you done that?

PRIME MINISTER:

Hugh Morgan is putting out a statement in which I understand he's explaining the positive. I don't have any control over the board. I suggest you have a look at the statement and if you've got any further questions you go and talk to Mr Morgan or you talk to the Governor of the Bank. I don't know what happened in that meeting. I don't know what happens at any of the Reserve Board bank meetings. It's like a public company board. I have no control over it. I suggest you go and talk to the man.

JOURNALIST:

You do have control over the Reserve Bank Act though?

PRIME MINISTER:

No, I have control over who's...well, my Government has control over who's appointed, but once they're appointed they have statutory independence. And as far as I'm concerned, you go and talk to them. I have no control over what happens at Reserve Bank board meetings and I don't intend to answer questions on what happened at a meeting where I wasn't attending. I have enough trouble answering questions about meetings I go to.

JOURNALIST:

Is there one message from your visit to Newcastle that the Government's prepared to take a more interventionist role where necessary?

PRIME MINISTER:

No, the message from my visit to Newcastle is that there is nothing the Australian people can't overcome when it comes to adversity and challenges. And I've drawn a great deal of hope and inspiration from the visit that I've paid to the Hunter Valley area. These are wonderful people and they're an example to the rest of Australia. That's the strongest message and the most important message that comes out of my visit to Newcastle. Thank you.

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