



LUNCHEON IN HONOUR OF MR EISAKU SATO
PRIME MINISTER OF JAPAN
PARLIAMENT HOUSE, CANBERRA

12TH OCTOBER, 1967

Speech by the Prime Minister, Mr Harold Holt.

Mr Prime Minister, Your Excellencies, Gentlemen :

It's a great pleasure on behalf of the Australian Government and people to welcome our distinguished visitor, and shortly I shall be proposing a toast to him. We welcome the Prime Minister and the very distinguished official party which has accompanied him, and perhaps since we are eating in a parliamentary dining-room, I can be permitted to give a special welcome to Mr Nishimura, who leads the Prime Minister's party in the Diet, and as a Prime Minister myself, I recognise the importance of paying tribute to those who support us, Prime Minister. There are other members of the Diet, members of the House of Representatives and Councillors as well as the official party. They are all very welcome indeed.

This is the third visit to Australia by a Prime Minister from Japan, and each of these visits has been a notable, and indeed historic occasion. The first was by Mr Kishi who, appropriately and aptly enough was the Prime Minister's brother, and I am glad to see the family tradition maintained by him. He came in 1957. We welcomed Mr Ikeda in 1963, and now we have Prime Minister Sato.

He has been Prime Minister since 1964 but before then, he had a very distinguished public career in a variety of capacities. Both he and I had the dubious pleasure of being Ministers of Finance in our respective countries which establishes a bond of sorts between us. He was Minister in Charge of Olympic Affairs, just to show how widely his activities have ranged, and he has, of course, held many other high offices.

We speak to him on this occasion which is for us another notable and historic occasion, because his visit comes at a very significant period in the relations between our two countries. The past is behind us; the present is a period of mutually beneficial trade and growing co-operation in the institutions of South-East Asia and the Pacific, and the future is an exciting prospect of growing co-operation with a significant role for each of us in the affairs of what is becoming an increasingly important and significant area of the world.

There has been almost daily awareness between our countries of the increasing range of contacts. They range over matters of international affairs, of trade, of aid, of sports, and in the cultural field, and so we do find it especially pleasing, Prime Minister, to have another visit from the Head of Government of your country after a four-year gap. I hope that as the years go on, the intervals will become briefer. I look hopefully to a time when it may be possible for me to return this visit, and I acknowledge publicly with great appreciation the invitation you extended earlier to me today and in which you indicated that the Emperor of Japan had personally joined. It is a compliment which I value and I hope to find an occasion when it will be mutually convenient for you to receive me.

I was in Tokyo myself for the International Bank and Monetary

Fund Meetings in 1964 and I recall then the impression of great growth and activity which was so evident in your capital city at that time.

There are, of course, many reasons for the increasingly close links between our two countries. We have broadly similar political systems - much closer, when I study them than I had earlier realised. We have a concern that we share together for the wellbeing of the region and its economic progress. We have ourselves increasingly important and economic trade links. We co-operate in the field of aid, particularly in this area of the world. We have cultural links; we are drawing increasingly ourselves upon the traditional and distinctive cultures of Japan. Our economies are, to a remarkable degree, complementary. We do compete in certain fields perhaps, but the notable thing about the economies of our two countries is the way in which we can each help the other.

We are both democracies. You have an hereditary Emperor - we an hereditary monarchy. We both have written Constitutions. There are two Houses in both the Japanese Diet and the Australian Parliament, and I have no doubt, Prime Minister, you have your problems with each of them. Our Cabinets are formed of members from the Parliament. We share a concern, as I have said, for the region. You lie at the north of it - Australia and New Zealand lie at the south of the Pacific Region. Inevitably, and naturally, and most desirably, we are both, as prospering and rapidly-developing countries, concerned with the wellbeing of our neighbours.

By 1970 you may rank as the third industrial power in the world. You are certainly on the ascendant all the time. You have, I think, the highest rate of growth of national product of any industrialised country in the world. We, for the time being at any rate, enjoy a higher per capita income and one of the world's highest living standards. You apply a higher proportion of your gross national income to investment, but we rank, we understand, about second to you, and we are at this time devoting a higher proportion of our gross national product to international aid and to the services of defence.

So all these similarities I have mentioned and our common interests in the past decade have brought our two countries increasingly close together in many ways. We are co-operating in the Asian and Pacific Council. We frequently discuss together in the United Nations matters in which we find we share attitudes on many of the significant issues. We are both greatly concerned with the stability of Asia because for us peace in Asia is a prerequisite for our own wellbeing as indeed it is for the wellbeing of those countries with which we are in neighbourly condition. Any State in Asia that regards a high degree of instability and political chaos either in the rest of the world or in any of the neighbouring countries around us as advantageous to its interests represents a common problem for our two countries.

We, like you, hope most ardently for a peaceful settlement of the conflict in Viet Nam, and we, like you, have regretted that a series of peace initiatives has not been successful. More than forty in number have been attempted from many and varied sources, and for our part, as I know from yours, we will do what we can to promote a successful peace negotiation for a just and enduring peace in the area. It is in the national interests of each of our countries as it is in the interest of the wellbeing and security of the people most directly concerned.

When the Government of North Viet Nam appreciates the determination of the Allied effort and understands the price to be paid from

aggression, perhaps there will be real hope of successful negotiations guaranteeing the independence of South Viet Nam.

You can claim to rank at this time as the world's sixth trading nation and you are on the move up in the ladder of international trade. Last year you were Australia's best customer in terms of the value of goods imported from us, and as you pointed out in our discussions in Cabinet this morning, if you had not been, you would soon be in that position because of the increasing part that Australian production will be playing in your own economy.

You are the largest buyer of our wool and our coal, of our iron ore and concentrates, of our non-ferrous ores and concentrates, of our unwrought copper, and our second largest market for sugar, mutton and lamb and butter. You are the largest supplier of yarns and textile fabrics to this country, of our iron and steel, of fish products, and a major supplier of motor vehicles and electrical machinery.

The ten-year-old trade agreement with your country, to which my colleague, the Deputy Prime Minister made such a notable contribution, was one of the earliest of our post-war agreements and surely the most successful. Apart from facilitating important flows of trade in each direction, the agreement provides for regular, and in our view, most valuable discussions and consultations between traders and our governments, and it is a happy circumstance that here with us today we have so many members of the Japan/Australian Business Co-operation Committee who are making their contribution to this success.

Our countries are clearly bound to continue to have close economic relationships, and by 1970, we confidently expect you to have the third largest economy in the world.

Our many co-operative links in the aid field include shared membership of the Development Assistance Committee, shared membership of the International Bank and Monetary Fund, shared membership of the Foreign Exchange Operations Fund for Laos; we are members of the International Bank's Co-ordinating Group for Aid to Malaysia and Thailand and of its Consultative Group on Ceylon. We both have a very considerable interest in the wellbeing of Indonesia which you visited so recently. We are both members of the Colombo Plan organisation, both members of ECAFE and both members of the Asian Development Bank. Your contribution was extremely generous - \$200 million. We feel that while this ranked with that of the United States, Australia with a commitment of \$85 million has shown its goodwill with a contribution out of all proportion to our population and national wealth.

It is important that the countries in our region should evolve co-operatively. Aid is an important way of co-operating. We give aid, in the words of the late President Kennedy "because it is right not because we are looking for repayment or because we are looking solely to the material benefits that can come to our countries". It is a gesture of international goodwill, and we believe it is accepted on that basis.

One of our great problems in making effective contact with you is our language. You have done much better in that respect than we have, Prime Minister. I have been somewhat humbled to find that you can communicate with me in my language certainly to a very much greater degree than I could

ever hope to communicate with you in yours. But increasingly Japanese is being learned at Australian schools and universities, and I hope this process will continue. Only today two new scholarships for Australians to go to Japan are being announced - one, the Australian/Japan Business Co-operation Scholarship is being sponsored by the Business Co-operation Committee to which I have referred, and will permit a scholar at a Japanese university to study there for one year. The Saionju-Hamersley Scholarship will also provide a year's study for an Australian graduate. And I hope this process will expand and increase because it is by having well-trained, well-educated people from our two countries come to know closely the circumstances of the other that our understanding will be enriched and mellowed.

We appreciate your cultural contributions in Japanese films; Japanese art and Japanese backgrounds are being used increasingly in cultural settings in this country. Increasingly we are becoming aware of the richness of Japan's cultural heritage. The 1970 World Exposition is to be held in Osaka and it is a matter of particular pleasure for Australia to be represented there. We are sure that you will be able to draw on many countries to support you, and this will be one of the notable events in the cultural and economic development of our region of the world. Your theme will be progress and harmony for mankind. We look forward to participating in the exposition and we feel that the exposition theme is a fitting statement of our common purposes.

It is our firm object, and yours also, I am sure, to work together with all men of goodwill towards the progress and harmony of mankind. We have a special contribution, each of us, to make in this region of the world, and let us hope our friendship, our co-operation and our collaboration will make a notable advance in the history of mankind in the countries around us who are looking for the kind of leadership and assistance that we are able to contribute to them. We could work for no better aim and we could leave ourselves no better heritage.

And it is in that spirit, Mr Prime Minister that we welcome you here. I ask my colleague, the Deputy Prime Minister, who has, as you will be so well aware personally, done so much to promote good relations between our two countries, to support me in the toast I am shortly to propose, and then we will call upon the Leader of Her Majesty's Opposition to demonstrate to you that in the sentiments that we express, we are united in the Parliament of this nation.
