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PRIME MINISTER

FOR MEDIA

12 JULY 1986

**JOINT STATEMENT BY THE PRIME MINISTER, MR HAWKE, AND THE
PRESIDENT OF THE ARGENTINE REPUBLIC, DR ALFONSIN**

This first visit to Australia by a Head of State from Latin America has provided the opportunity for very friendly and useful discussions. Although our two countries are geographically distant we are both democracies with important common interests on major international issues and recognise the potential which exists for enhanced bilateral co-operation.

We share deep concerns with recent developments in international agricultural trade. Both our countries are efficient agricultural producers and exporters, but largely as a consequence of domestic agricultural support policies in the major industrial powers we are seeing continual erosion of and distortions in our agricultural export markets, highlighted by a sharp and protracted decline in prices for most of our agricultural products.

There is a crucial need to liberalise international trade, to reduce agricultural export subsidies and to bring about reform of domestic agricultural policies, particularly of the major industrial powers, which stimulate over production through subsidies and barriers to market access.

We are in complete agreement on the urgency and importance of launching the new round of Multilateral Trade Negotiations where the question of agricultural trade must be effectively addressed as a priority issue. We also recognise that countries dependent on agriculture for their livelihood cannot wait the outcome of these negotiations alone and that there is a need to develop strategies to be pursued jointly and individually to achieve agricultural trade reform. Our Ministers and officials will continue to co-ordinate our approaches to these issues. Argentina will participate in the Ministerial meeting of like-minded agricultural producers to be held in Cairns next month as part of this process.

An open international trading system, which provides the opportunity to obtain reasonable and fair prices for exports is essential if international financial problems are to be overcome and domestic economic growth encouraged. This is, in turn, of great importance to reinforce the very welcome trend towards democracy which is taking place in Latin America, and of which Argentina has been a prime example.

We agreed on the need to find a solution to the problems of the foreign debt of developing countries, especially those of Latin America, which would enable the strengthening of democratic systems by means of economic growth, and Australia noted the efforts made by the "Consensus of Cartagena" in that respect.

We also had a wide ranging discussion of international political issues. We believe that a solution to the problems of Central America should lie in international negotiation and democratisation and fully endorse the Contadora process, including the work of the Contadora Support Group of which Argentina is a member. Argentina attaches great importance to the question of the Falkland Islands (Malvinas). We are each of the view that this complex question should be solved peacefully through negotiation. On the tragic trend of events in South Africa we agreed that further and effective measures by the international community are essential, including on the part of South Africa's major economic partners, to bring home to the Government there the urgent need for fundamental change. We also reaffirmed the high priority we attach to disarmament issues. Both countries have been increasingly active in this area, for example Argentina's participation in the Six Nations initiative and Australia's initiative on the South Pacific Nuclear Free Zone. We noted and supported increasing regional co-operation in both the Asia/Pacific and Latin American areas. We agreed to continue close co-operation on Antarctic issues.

We discussed the potential for closer co-operation between southern region nations, and in that respect agreed that officials of the two countries would meet to explore the means of achieving this co-operation. We also talked about Argentina's participation in the Australian Bicentennial and Australia's willingness to contribute its expertise to the planned transfer of Argentina's capital city. We recognised the scope for enhanced commercial co-operation.

Our discussions establish a firm foundation for a closer relationship than has existed hitherto between Australia and Argentina, both bilaterally and on international questions of common concern.