

JAPAN/AUSTRALIA BUSINESS CO-OPERATION COMMITTEE
FOURTH JOINT MEETING HELD AT CANBERRA, A.C.T.

19th April 1966

Speech by the Prime Minister, Mr. Harold Holt :

Sir Edward Warren, Mr. Adachi, Mr. Nagano, my Ministerial colleagues, David Fairbairn, Mr. Anderson, Ministerial colleagues and Parliamentary colleagues that I see around the room and members of the Australia/Japan Business Co-operation Committee, Ladies and Gentlemen. (I think that should just about cover it).

This is one of those happy occasions when, if the politician speaks with two tongues he is applauded for it rather than condemned, and with the help of my very able assistant on my left, I shall try to tell you some of the thoughts which come to the mind of an Australian Prime Minister on so felicitous an occasion as this. And I assure you it is a very happy occasion for the Australian people; and on behalf of the Australian people, speaking for their Government, I extend to all of you who have come to participate in the important work of this committee a very warm and friendly welcome. We hope that you will enjoy your stay with us and that your discussions will be fruitful and constructive.

This Committee is a very happy manifestation of what I regard as a great peacetime achievement, a positive, constructive co-operation which has worked, as Sir Edward Warren has so graphically outlined to us this morning, to the mutual advantage of our two countries and indeed to the advantage of world trade in general.

Sir Edward Warren has given us the figures which illustrate the dramatic growth in trade which has occurred between our two countries. It has been quite phenomenal by the experience of Australia in its trading with any other country in the world, and as he forecast, we confidently anticipate that in the years ahead, Japan will assume the leadership in the role of the largest customer for the products of this country, and we, in turn are, on the evidence of the growth of trade in recent years, an improving and increasing customer for the products of Japan.

It is the essence of good negotiation that all parties to it feel that the outcome of the negotiations has been of advantage. It is a bad negotiation when one party feels that it hasn't worked out fairly in its case. But ever since the treaty was entered into between Australia and Japan, trade relations have been harmonious and co-operative. There have been, of course, occasions of difficulty, but these have, as a result of friendly discussion and negotiation, usually produced a satisfactory result for us and we confidently anticipate that in this spirit we can advance the interests of our two countries as trade grows between us.

We are on the threshold of another important phase in our trade relations, as the vast mineral projects now getting into production in various parts of Australia come to supplement the already large volume of trade between us. I believe that this growth in trade will have a dramatic impact upon the economic thinking of other countries observing the development of trade, the strength of production which will flow from this from Japan to other parts of the world. And so, although our achievements up to this point of time have been great, he would be indeed a pessimist who did not see in the future a tremendous growth and increase in the volume of trade between us.

When there is such interdependence as has developed between our two countries, and interdependence of trade on a scale which has become important to us both, then inevitably problems arise and even some dangers to the economy of each, because we have developed so strong an interest and participation in the economic development of the other, that whatever happens to one country is of consequence to that other country. And this gives importance to the existence of your own Committee. The closer our interdependence becomes, the wider its scope, the more important it is that we should have at a high level of consultation people from both countries who can help to iron out the difficulties, who can inform each other as to economic developments in the other country and in this way develop a more constructive and harmonious teamwork which will produce the most favourable results for each of us. I believe we are fortunate - and I speak for the Government and our people - in that there should have been from the outset such a high level of representation in this Australia/Japan Business Co-operation Committee.

Those from Australia, of course, are well known to you and as you have no doubt already discovered, they include some of the outstanding figures in the industrial and commercial life of this country. Of those who come to us from Japan, most of you I know only by repute or of the vast organisation which you represent. But I am glad to see in your company today, a very old friend from my own days as Treasurer of the Commonwealth, in the person of Mr. Horie. I give him a warm welcome, and he is, I believe, a representative of the high calibre of membership of this Committee which means so much to the prosperity and to the strength of our two countries.

We have a mutual interest as two great trading countries - you, I think, ranking seventh in importance in world trade and Australia ranking twelfth - we have an important interest together in the development of satisfactory international trading relationships, and so we wish to see come out of the Kennedy Round of negotiations a further liberalisation of the trade of the world.

We have also a mutual interest in seeing the restoration of peaceful conditions in the countries of Asia and in particular in war-torn South East Asia. We have been able to demonstrate in our own trade one with the other

what can be achieved under conditions of peace, and we share a vision of the growth in trade and prosperity and wellbeing which could occur in the countries of Asia if conditions of peace could be re-established there. There is a growing willingness around the world, particularly from the United States where President Johnson has undertaken to outlay at least one billion dollars in peaceful reconstruction and economic development in South East Asia if peaceful conditions can be re-established. There is this willingness to help, and we with you in Japan, have a mutual interest in promoting to the best advantage that we can causes which will assist in restoring peace in this troubled area of the world.

We have in Asia a population today of some 1,500 million. It is an awesome thought that by the end of this century that population may have doubled and all the indications are that this will occur. I believe myself that not sufficient thought as yet is being given by the more advanced industrialised nations of the world to the problems which will be presented to the world by this quite dramatic development in the population structure of Asia in particular and the world as a whole. Japan and Australia have an important part to play in meeting both the opportunities and the challenges which will develop from this remarkable economic phenomenon of our time.

One of the happy recent developments has been the creation of the Asia Development Bank, and the importance of this is clearly recognised by your country from the evidence supplied in the major contribution of \$200 million which you have committed yourselves to supply to the resources of the bank. Australia, too, has recognised the opportunity here for constructive assistance around the whole of the Asian area and we have, as you know, subscribed, or committed ourselves to the extent of \$85 million to the planned total of \$1,000 million (American) to be the initial capital of the bank. This is a hopeful symptom of the happier order we expect to see emerge in this part of the world.

It may interest you to know, gentlemen, that of the prospective investors who come to Australia from overseas, an increasing proportion, as they discuss these matters with me, are looking to Australia these days, not merely as a market for the products of their manufacture here, but are seeing in Australia a base or launching place for their own increasing trade in the countries of Asia. And so we become, as a result of these processes, an even more important trading partner with Japan. We can only anticipate favourable omens for the future in the light of opportunities that we see ahead of us.

No doubt we will have many problems to meet along the road but our two economies are so clearly supplementary or complementary to each other that we would be lacking in any normal spirit of optimism if we did not foresee a tremendous growth of trade in the years ahead between our two countries, contributing to a more peaceful and prosperous Asia and indeed, we would hope, contributing to the trade of the world.

It is with that background to your discussions that I now formally declare your meetings open and extend to you my best wishes for fruitful discussion and a valuable outcome from talks together which I assure you, on behalf of the Australian Government, we regard as being of great importance to this country.

My best wishes to you all.
