

11 MAY 1979: MANILA

JOINT COMMUNIQUE: PRESIDENT MARCOS AND PRIME MINISTER FRASER

At the invitation of His Excellency President Ferdinand E. Marcos, the Prime Minister of Australia, the Rt. Hon. Malcolm Fraser, made an official visit to the Republic of the Philippines from 8 to 11 May 1979.

During the visit the President and the Prime Minister held extensive discussions on a wide range of subjects of mutual interest. The talks were held in a very cordial and friendly atmosphere, reflecting the important and expanding relationship between the Philippines and Australia.

Discussion covered three broad areas: regional and world stability; the international economic situation; and the bilateral relationship between the Philippines and Australia.

The President and the Prime Minister agreed that some aspects of the international situation caused considerable concern, with areas of instability affecting parts of Africa, the Middle East and Indo-China. In addition, they noted that international economic difficulties added significantly to world tensions.

In such circumstances, Australia and the countries of the ASEAN region had a strong mutual interest in working closely together to prevent such tensions from impeding the peaceful progress and development of the region.

The President and the Prime Minister noted the recent normalization of relations between China and the United States and the conclusion of the Friendship Treaty between China and Japan, and agreed that these events created new opportunities for these countries to play a positive and constructive role in the Asia/Pacific region. They expressed the hope that the Soviet Union would make a similar constructive contribution.

The two leaders expressed serious concern about the situation in Indo-China and called for a settlement of differences among the parties concerned. They agreed that disputes should be settled by peaceful means, and without resort to the use of force.

The President and the Prime Minister referred to the critical importance of the 5th Session of the United Nations Conference on Trade and Development, currently being held in Manila. They agreed that its location and timing made the present conference especially important. The immediately preceding period had been one of reduced growth of world trade caused by inflation and leading to the spread of unemployment and the dangerous increase of protectionism.

The two leaders recalled the part they and their governments has played to date in bringing about an agreement on the basic elements of a Common Fund, and welcomed the prospects it brings for greater stability in commodity prices at levels which are remunerative to producers and equitable to consumers. They expressed the firm conviction that the Fund should be established as soon as possible.

They also called, in particular, upon producers and consumers to proceed to negotiate expeditiously appropriate international commodity agreements and arrangements under the Integrated Programme for Commodities of which the Common Fund was a key instrument.

The President and the Prime Minister agreed further that there was a need to look to the future and to improve on the results of the Multilateral Trade Negotiations. It was of critical importance to achieve significant reductions in barriers to world trade. In this context, they noted that high rates of inflation were a significant element in the slower growth in volume of international trade and in market opportunities for all countries, especially developing ones. They therefore called upon countries, and in particular the major industrialized ones, to pursue policies to bring inflation under control.

The President and the Prime Minister were pleased with the contribution that had been made by ASEAN to political stability and the economic and social development of the region. The Prime Minister emphasized Australia's strong commitment to South-East Asia and the whole-hearted support for ASEAN, which he referred to as an excellent example of the strength and stability which could be achieved through regional cooperation. It was a basic element of Australia's policy to work closely and cooperatively with ASEAN in all matters.

The two leaders discussed the new Australian low air fare scheme and, in this connection, they welcomed the progress made in the discussions at the recent meeting of Australia and ASEAN officials in Kuala Lumpur, including the agreement to recommend to ASEAN and Australian Ministers a settlement on a package basis.

The President and the Prime Minister agreed to start discussions on arrangements covering routes between Australia, the Philippines and countries to the north.

The President and the Prime Minister reviewed the full range of the bilateral relationship between the Philippines and Australia and were able to settle a number of issues, thus clearing the way for the fuller development of the existing network of bilateral agreements.

Referring to the Nuclear Safeguards Agreement which has just been concluded, the two leaders agreed that this would be the basis for subsequent arrangements for the supply of uranium from Australia to the Philippines.

The President and the Prime Minister noted that while the value of trade between the two countries has increased considerably, there remains a significant balance in Australia's favour. In this context, they noted and the President welcomed the arrangements that the Australian Government was making to increase market opportunities for exports to Australia from the Philippines and other ASEAN countries.

The two leaders welcomed the exchange of letters of ratification which they had authorized to bring into force the trade agreement between Australia and the Philippines and agreed that this was a significant development.

The Prime Minister and the President further welcomed the signing of a double taxation agreement between the two countries which would help promote greater economic cooperation.

These various agreements, together with the accompanying strengthening of the political relationship, reflected the growing warmth and cooperation between the Philippines and Australia.

The two leaders recognized the considerable prospects for the substantial growth in tourism between Australia and the Philippines and agreed to consider early measures to realize this potential.

The President welcomed the continuing commitment of the Australian Government to the economic development of the Philippines through its various aid programs, and the Prime Minister confirmed that the Australian Government expected to maintain its aid allocations to the Philippines.

The Prime Minister said that the Australian Government had studied a recent Philippines request for assistance in the development of its energy capability, and confirmed that Australia would provide such assistance. The President welcomed the Prime Minister's assurance that Australia intended to be a reliable and reasonable supplier of energy sources to the Philippines.

The Prime Minister expressed his pleasure and deep gratitude to the President and Government of the Republic of the Philippines for their invitation to him to visit Manila, and for the excellent arrangements and gracious hospitality that had been offered to his party. The President accepted an invitation by the Prime Minister to visit Australia at a mutually convenient time.