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PRIME MINISTER

FOR MEDIA

THURSDAY, 17 JANUARY, 1980

ADDRESS TO LUNCHEON IN HONOUR OF
HIS EXCELLENCY MR. MASAYOSHI OHIRA,
PRIME MINISTER OF JAPAN

The welcome I extend to you today on behalf of the Australian Government and all Australians, is a very sincere and warm one. We value your presence amongst us.

At the beginning of a new year and a new decade, your visit symbolises not only the strength of our past relationship, but also its growing importance in the years ahead.

This relationship has developed from natural and complementary trading ties; ties which have been of remarkable benefit to both our countries; ties which have been guided and reinforced by government to government arrangements. These arrangements gained their earliest impetus from the 1957 Commerce Agreement. Looking back now, we are better able to understand the foresight and vision behind the Agreement.

More recently, I signed a basic treaty of friendship and co-operation with Prime Minister Miki in 1976. During all this time, we have worked at and developed the necessary political and cultural dimension to our relationship. Our institutional framework, reinforced by active exchanges at all levels, has enabled us to consult closely; not only on bilateral matters but also on important international events such as the Tokyo Economic Summit in 1979. I remember warmly our own consultations in Manila before the Summit.

Yesterday we agreed to contribute more funds to the Australia, Japan, and Western Pacific Economic Relations Research Project. I am pleased too that your visit coincides with the announcement by my Government of increased funds for the Australia-Japan Foundation, through which the cultural base of our relationship is being expanded. One of the aims of this expansion is to bring the level of understanding between our peoples to that which exists between our Governments.

We have agreed that our efforts in this regard should be directed primarily towards our youth. It would be particularly useful if, as we discussed yesterday, arrangements can be made for working holidays for our youth, for that would contribute greatly to the shaping of future attitudes between our countries.

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All these continuous activities, in so many fields and by so many groups, have given effectiveness and perspective to our discussions over the past two days, on a wide range of important issues.

Mr. Prime Minister, you have come here at a time when our bilateral relations are at a stage of vigorous expansion; and the very helpful talks we have had, can only give added impetus to this. More than this, your visit coincides with disturbing developments on the international scene. We are all greatly concerned about what is happening in Afghanistan and Iran. I have welcomed the opportunity to discuss these problems with you.

The Soviet move into Afghanistan poses dangers to world peace greater than any in the last 35 years. It presents a challenge to the collective strength and will of the nations of the world. We must show that a line can be drawn against Soviet expansion. Only a year ago, we saw Soviet support for the Vietnamese invasion of Kampuchea. Today, Soviet forces are poised on the borders of Iran and Pakistan, in a position to take advantage of any opportunity that offers, or can be manufactured, in areas of enormous strategic and economic significance: the Iranian oilfields, the Straits of Hormuz and the Indian Ocean sea lanes.

Let me state why I believe the situation we now face is more important than any that has occurred in recent decades. Previous crises in Berlin, Cuba, Korea - undeniably, they involved matters of enormous significance and concern to the free world. They challenged the reputation, the strength and the very credibility of the free world. They struck at its unity and cohesiveness. Beyond that, these crises were of momentous political and ideological significance.

All these factors are present in the new crisis in Afghanistan. But if, in addition, the ruthless opportunism of the Soviet Union is not checked, the consequences assume global, strategic and economic significance of massive proportions. For, if the U.S.S.R. were to gain control of, or influence over, Middle East oil production, that would enable it to destroy the economies of the advanced world. Some may argue that this is a "worst case" prospect. But in the circumstances of today, all advice is that we cannot ignore it. It is therefore critical to world peace and security that all countries should bring home to the Soviet Government an understanding that there are clear limits to its aggressive intentions.

Mr. Prime Minister, we share the understanding that this decade will pose challenges for us. Not only must we meet these challenges as they arise, but also we must anticipate them through consultation with friends and neighbours.

Central to meeting these challenges is our joint pursuit of stability through economic growth. Nothing undermines stability, security and the quality of life as much as the absence of economic growth. For only through economic growth can we provide the kind of life that maximises freedom and enhances the well-being of all of us.

As far as Japan is concerned, even modest projections indicate that you will remain one of the most significant and growing economic powers in the world. You have won international recognition for maintaining the highest economic growth amongst industrialised countries; and this, in the face of severe international economic difficulties. Because of this, your capacity to influence beneficially the economic development of our region will continue to have very positive consequences.

Yet the scarcity of energy supplies, severely aggravated by political events, places possible limitations on this development. The challenge is to find and utilise alternative and adequate supplies of energy. The fact that Australia can help to meet this challenge, has already been recognised by many nations.

The electric power companies of several industrialised countries have already begun to negotiate long-term contractual arrangements for Australian steaming coal. World aluminium manufacturers are establishing smelters in Australia, near the site of abundant blocks of commercial power. Indications are that other energy-intensive manufacturing industries are being increasingly attracted by the ready availability of Australian energy. Nations will increasingly call on us to help meet their domestic energy requirements.

As well, governments and international corporations will both recognise the availability of Australian minerals, but more importantly, energy. The two are coming together in Australia.

Your future requirements for energy; your geographic proximity to Australia; the dependence of the region on your economic growth; these lead us to expect a significant increase in Japanese demands for our resources.

At the same time, Australia is already developing its own capacity to process many of these resources. For both of us, this makes good economic sense and energy sense. And from the Australian point of view, there are no impediments to your involvement in this development. Indeed, the basic treaty of friendship and co-operation was negotiated to ensure that the same opportunities would exist for Japanese interests as are available to other countries.

We, in Australia, hope you in Japan will take up more of these opportunities and not just leave them to the U.S.A., Britain and other European countries.

Mr. Prime Minister, we are fortunate to be part of a region which has unique advantages. The Western Pacific area has abundant supplies of food, fibre, and manufacturing capacities; of energy, technology and human resources. As well, in the 80's, the proximity of the countries in this region to one another, will be of enormous advantage to us all.

For your country, as for ours, trade with this region will accelerate as industrialisation increases. This industrialisation, already occurring in the Republic of Korea, Taiwan, Hong Kong and Singapore, is rapidly taking place in other countries particularly in the ASEAN group.

We are adjusting to the opportunities provided by our region, and this process will accelerate under the stimulus of vigorous, market development. Japan and Australia will have an important co-operative part to play as regional opportunities grow. It is a new and a challenging role for both of us.

In this connection, I found particularly stimulating our discussion of the Pacific Community concept, aimed at promoting greater regional co-operation. The idea is forward-looking, and, Mr. Prime Minister, we are grateful for your own and Dr. Okita's personal commitment to advancing it.

I believe we share similar views about this concept, and we would like to see it taken further. But much needs to be done before we can achieve this.

Yesterday we agreed that a first step would be for Australia and Japan to consult with others of our friends in the region to ascertain their views. I am pleased to be able to tell you now, that if our consultations indicate broad interest in exploring the concept further, then Australia would be happy to sponsor a seminar for this purpose. I would envisage this taking place later in the year at the Australian National University.

Our relationship together has developed remarkably, but we cannot become complacent. It would be complacent to ignore the pressures that international events impose on us. But both Australia and Japan are mindful of their responsibility to contribute to international co-operation and regional development. By meeting this responsibility together, we can secure progress and beneficial development, together. That is why, Mr. Prime Minister, we value your visit to Australia and why we so warmly welcome your presence amongst us.