

CHECK AGAINST DELIVERY



EMBARGOED UNTIL 2 P.M. LOCAL

PRIME MINISTER

SPEECH BY THE AUSTRALIAN PRIME MINISTER
AUSTRALIA-THAI CHAMBER OF COMMERCE
BANGKOK - 22 NOVEMBER 1983

MR CHAIRMAN

THANK YOU VERY MUCH FOR YOUR WARM WELCOME.

THE AUSTRALIAN-THAI CHAMBER OF COMMERCE HAS MADE A VALUABLE CONTRIBUTION TO MUTUAL UNDERSTANDING BETWEEN THAILAND AND AUSTRALIA.

PERHAPS MOST SIGNIFICANTLY THE EXISTENCE OF THE CHAMBER REFLECTS AN AUSTRALIAN COMMERCIAL PRESENCE ON THE GROUND HERE IN THAILAND; ITS MEMBERSHIP COMPRISES AUSTRALIANS AND THAIS ACTIVELY INTERESTED IN EXPLORING AND DEVELOPING OPPORTUNITIES FOR MUTUALLY BENEFICIAL ECONOMIC AND TRADE DEVELOPMENT IN THE SOUTH EAST ASIAN REGION.

THIS, I BELIEVE, IS THE ONLY WAY ULTIMATELY TO GIVE SUBSTANCE TO REGIONAL ECONOMIC RELATIONS.

THERE ARE QUITE DRAMATIC CHANGES TAKING PLACE IN OUR REGION.

AT A TIME OF SUCH ADJUSTMENT AND CHANGE, IT IS SOMETIMES DIFFICULT TO APPRECIATE THEIR DIMENSIONS AND CONSEQUENCES.

BUT IT IS ONLY IF WE ARE PREPARED FOR ADJUSTMENT AND CHANGE THAT WE WILL BE ABLE TO REAP THE BENEFITS.

THE MOST CRUCIAL CHANGES APPARENT IN THIS REGION STEM DIRECTLY FROM THE DRAMATIC REORDERING OF GROWTH PATTERNS WITHIN AND BETWEEN COUNTRIES OF THE REGION.

THIS REORDERING HAS BEEN OF SUCH A FUNDAMENTAL CHARACTER THAT IT REQUIRES A BASIC REAPPRAISAL OF THE CIRCUMSTANCES WITHIN WHICH COUNTRIES OF THE REGION NOW DEAL WITH EACH OTHER.

IT ALSO COMPELS ATTENTION TO THE QUITE CRITICAL DOMESTIC ADJUSTMENTS WITHIN THE COUNTRIES OF THE REGION THAT ARE MADE NECESSARY BY AND INEVITABLY ACCOMPANY SUCH CHANGE.

FOR ITS PART AUSTRALIAN GOVERNMENT POLICY WILL BE DIRECTED TO ENSURING THAT AUSTRALIA IS AN EFFECTIVE PARTICIPANT IN THE PROCESS OF CHANGE GOING ON ABOUT US.

RATHER THAN BEING WARY OF CHANGE, AUSTRALIA WANTS IT TO WORK TO THE ADVANTAGE BOTH OF ITSELF AND ITS REGIONAL PARTNERS.

OUR COMMITMENT IS TO AN INVOLVED ROLE - ONE THAT WOULD SEE AUSTRALIA BOTH CONTRIBUTING TO AND BENEFITTING FROM THE DYNAMISM OF THE REGIONAL SITUATION.

THE THRUST OF AUSTRALIAN DOMESTIC ECONOMIC POLICY REFLECTS THIS COMMITMENT.

THAT POLICY IS NOT ONLY GEARED TO TURNING THE AUSTRALIAN ECONOMY AROUND (AN OBJECTIVE WHICH RECENT INDICATORS SUGGEST IS ATTAINABLE AND BEING GRADUALLY REALISED), BUT IS ALSO AIMED AT ENSURING THAT AUSTRALIA IS WELL-PLACED TO PARTICIPATE IN AND BENEFIT FROM THIS WIDER PROCESS OF CHANGE.

MY GOVERNMENT'S COMMITMENT TO THE REDUCTION OVER THE LONG TERM OF EXISTING LEVELS OF PROTECTION IN AUSTRALIAN INDUSTRY IS PART OF THIS POLICY APPROACH.

RECENT MEASURES INTRODUCED TO SUPPORT THE ESTABLISHMENT IN AUSTRALIA OF A VENTURE CAPITAL MARKET AND TO ASSIST, THROUGH THE AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION, THE FINANCING OF THE NECESSARY RESTRUCTURING AND REVITALIZATION OF AUSTRALIAN INDUSTRY ARE ALSO PART OF THIS POLICY THRUST.

AS WELL, POLICIES WE HAVE INTRODUCED AND ARE DEVELOPING TO SECURE A BETTER TRAINED, MORE FLEXIBLE AUSTRALIAN WORKFORCE ARE DESIGNED TO BE AN INTEGRAL PART OF THE SAME INDUSTRY STRATEGY.

IT WOULD NOT COME, THEREFORE, AS A GREAT SURPRISE TO MANY OF YOU THAT MY GOVERNMENT ATTACHES A GREAT DEAL OF IMPORTANCE TO ALL ASPECTS OF OUR RELATIONSHIPS WITH OUR NEIGHBOURS, INCLUDING THAILAND.

IN MY ADDRESS LAST NIGHT I POINTED TO THE CONSIDERABLE DEPTH AND EXTENT OF AUSTRALIA'S RELATIONS WITH THE ASEAN COUNTRIES.

I WAS PARTICULARLY PLEASED THAT ON THIS VISIT, SOME TEN YEARS SINCE THE LAST BY AN AUSTRALIAN PRIME MINISTER, BOTH GENERAL PREM AND I WERE ABLE TO FULLY AND COMPLETELY TO HAVE ACHIEVED UNDERSTANDING OF EACH OTHER'S INTERESTS AND PERCEPTIONS.

IN ALL THAT AUSTRALIA DOES WITH THAILAND WE ARE PARTICULARLY MINDFUL OF THAILAND'S POSITION AS A "FRONT-LINE" STATE.

IT WAS ESPECIALLY FOR THIS REASON THAT I THOUGHT IT NECESSARY TO GET THE BENEFIT OF PRIME MINISTER PREM'S AND FOREIGN MINISTER SIDDHI'S PERCEPTIONS OF THE CONTEMPORARY REGIONAL SITUATION.

THE TALKS WE HAVE HAD WERE MOST VALUABLE AND PRODUCTIVE IN THIS REGARD.

BOTH PRIME MINISTER PREM AND FOREIGN MINISTER SIDDHI DEEPLY IMPRESSED ME NOT ONLY WITH THE COMPELLING CHARACTER OF THEIR ASSESSMENT OF CONTEMPORARY PROBLEMS, BUT ALSO FOR THE GENUINE WARMTH AND FRIENDSHIP THEY DEMONSTRATED TOWARDS ME AND AUSTRALIA.

I DEEPLY APPRECIATE THIS AND SEE IT AS PROVIDING AN ABSOLUTELY SOLID BASIS ON WHICH FUTURE AUSTRALIA/THAILAND RELATIONS CAN DEVELOP.

BOTH AUSTRALIAN AND THAILAND WANT PEACE, STABILITY AND ECONOMIC GROWTH IN THE REGION.

THE AUSTRALIAN GOVERNMENT IS GIVING A HIGH PRIORITY TO ITS EFFORTS IN THIS DIRECTION

CRUCIAL TO THIS IS UNDERSTANDING.

IN PART THIS MEANS BEING ABLE TO CROSS SOCIAL AND CULTURAL DIVIDES.

BRIDGING SUCH DIVIDES NOT ONLY REQUIRES AN ABILITY TO ACCEPT DIFFERENCE, BUT ALSO REQUIRES THE TYPE OF FAMILIARITY BORN ONLY OF YEARS OF INTERACTION AND JOINT ENDEAVOUR.

IT IS PLEASING THAT AUSTRALIANS IN INCREASING NUMBERS ARE GETTING OUT INTO THE REGION AND BUILDING EXTENSIVE NETWORKS OF PRODUCTIVE CONTACT.

EQUALLY IMPORTANTLY A GROWING NUMBER OF PEOPLE FROM THE REGION CAN CLAIM FIRST HAND EXPERIENCE OF AUSTRALIA.

THE VALUE OF SUCH PERSON-TO-PERSON CONTACT, OF INTERACTION BETWEEN OUR SOCIETIES, IS INESTIMABLE.

WE SEE AT WORK IN THIS REGION THE UNDERLYING TRENDS THAT ARE FUNDAMENTALLY RESHAPING THE CHARACTER OF CONTEMPORARY TRADE AND PRODUCTION PATTERNS.

WORLD TRADE IS IMPOSING INCREASINGLY COMPETITIVE OBLIGATIONS, AND MAJOR STRUCTURAL ADJUSTMENTS AND TECHNOLOGICAL INNOVATIONS THROUGHOUT THE WORLD'S INDUSTRIAL NATIONS ARE RESULTING IN MAJOR SHIFTS IN WORLD PRODUCTION AND CONSUMPTION PATTERNS.

RISING LIVING STANDARDS AND INDUSTRIAL DEVELOPMENT IN DEVELOPING COUNTRIES - MANY OF THEM IN OUR OWN REGION - ARE CONTRIBUTING TO THESE SHIFTS.

WHILE THE WORLD ECONOMY HAS BEEN STRUGGLING TO ABSORB THE IMPACT OF THE OIL CRISES AND PROLONGED RECESSION IN INDUSTRIAL COUNTRIES, THIS REGION HAS NOT ONLY MANAGED TO ADJUST EFFECTIVELY; IT HAS CONTINUED TO RECORD ECONOMIC GROWTH RATES WHICH ARE IMPRESSIVE BY ANY STANDARDS.

THE ASEAN REGION'S GROWTH HAS ALSO BEEN STRENGTHENED BY ITS STRONG AND INCREASING INVOLVEMENT IN INTERNATIONAL TRADE, AND ESPECIALLY BY THE INCREASING FOREIGN TRADE ORIENTATION OF ITS MANUFACTURING INDUSTRY IN RECENT YEARS.

FOR ASEAN, LIKE AUSTRALIA, THE STRONG GROWTH OF IMPORT DEMAND IN OUR NEIGHBOUR, JAPAN, HAS CONTRIBUTED TO A MORE FAVOURABLE INTERNATIONAL ECONOMIC ENVIRONMENT IN RECENT DECADES, AND HAS STIMULATED OUR INTERACTION WITH EACH OTHER.

THE RAPID GROWTH OF JAPAN HAS CONTRIBUTED TO AN APPRECIATION OF WHAT IS NECESSARY FOR ECONOMIC EXPANSION, AND OF WHAT IS POSSIBLE, THROUGHOUT OUR REGION.

WHILE DIFFERENT INSTITUTIONS AND CULTURAL PATTERNS DO NOT ALLOW THE USE OF JAPANESE PATTERNS OF DEVELOPMENT AS A MODEL SIMPLY TO BE COPIED, WE HAVE ALL BEEN IMPRESSED BY THE RAPID STRUCTURAL ADJUSTMENT IN JAPAN'S EXPORT-ORIENTED INDUSTRIAL SECTOR, IN RESPONSE TO INTERNATIONAL MARKET CONDITIONS.

PUT SIMPLY, A LOT OF JAPAN'S SUCCESS HAS RUBBED OFF ON THE REGION WITHIN WHICH IT IS LOCATED.

AT THE SAME TIME MANY COUNTRIES OF THE REGION HAVE DEMONSTRATED A DYNAMISM OF THEIR OWN.

WITH FEW EXCEPTIONS THE ECONOMIES OF THE WESTERN PACIFIC HAVE ACCEPTED THE ADVANTAGES FOR GROWTH OF EXPORT-ORIENTED INDUSTRIAL DEVELOPMENT, AND THE RAPID STRUCTURAL ADJUSTMENT WITH WHICH THEY ARE ASSOCIATED.

COUNTRIES OF THIS REGION HAVE ADJUSTED QUICKLY INTO GROWTH AREAS OF THE WORLD MARKET.

THEY HAVE ALSO BECOME VERY COMPETITIVE IN SLOWER GROWING MARKETS.

THEIR EXPOSURE TO INTERNATIONAL COMPETITION HAS HASTENED THE PROCESS OF SOPHISTICATION OF THEIR MANUFACTURING AND SERVICES SECTORS.

AN IMPORTANT CONTRIBUTING FACTOR IN THIS HAS BEEN THE STRIKING GROWTH OF ECONOMIC RELATIONSHIPS WITHIN THE REGION.

THE INTERDEPENDENCE OF THE REGION IS A FACT WHICH IS NOW WELL UNDERSTOOD.

THE SUPPLY CAPACITY WITHIN THE PACIFIC REGION OFFERS ADEQUATE POTENTIAL FOR MEETING THE BULK OF PRESENT OR PROSPECTIVE IMPORT DEMAND REQUIREMENTS AND FOR PROVIDING A LARGE MEASURE OF REGIONAL FOOD AND RESOURCE TRADE SECURITY.

THIS PROVIDES A SECURE BASIS FOR COUNTRIES WHICH ARE LESS WELL ENDOWED WITH NATURAL RESOURCES TO PURSUE STRATEGIES OF RAPID INDUSTRIAL DEVELOPMENT.

ALMOST 40 PER CENT OF THE WESTERN PACIFIC REGION'S TRADE IS INTRA-REGIONAL.

THE INTRA-REGIONAL COMPONENT GREW BY AROUND 24 PER CENT PER ANNUM BETWEEN 1970 AND 1980 - SOMEWHAT FASTER THAN THE GROWTH OF WORLD TRADE AS A WHOLE.

THERE ARE ALSO STRONG INVESTMENT AND COMMERCIAL LINKS IN THE REGION AND POLITICAL TIES ARE INCREASINGLY STRONG.

THIS INTERDEPENDENCE SUGGESTS THAT COUNTRIES IN THE REGION WILL CONTINUE TO BENEFIT FROM EACH OTHER'S GROWTH.

THESE TRENDS REINFORCE MY VIEW THAT A SOUND BASIS EXISTS WITHIN THIS REGION TO ENHANCE ITS OWN PROSPERITY THROUGH CO-OPERATIVE ACTION AND TO CONTRIBUTE IMPORTANTLY TO GLOBAL ECONOMIC WELFARE.

FAR FROM BEING INCOMPATIBLE THESE TWIN OBJECTIVES ARE MUTUALLY REINFORCING: THE MOST USEFUL FORMS OF REGIONAL CO-OPERATION ARE CONSISTENT WITH AND MAY WELL ENHANCE THE PROSPECTS OF ACTION ON A BROADER MULTILATERAL BASIS, ESPECIALLY GIVEN THE RAPIDLY GROWING IMPORTANCE OF WESTERN PACIFIC COUNTRIES IN THE WORLD ECONOMY.

CO-ORDINATED ACTION BY THE ASEAN COUNTRIES IS A CONTEMPORARY AND SUCCESSFUL EXAMPLE OF REGIONAL ACTION CONTRIBUTING TO IMPROVEMENTS IN THE MULTILATERAL TRADING SYSTEM.

ON A SOMEWHAT BROADER BASIS, I SEE NO REASON WHY COUNTRIES OF THE REGION SHOULD NOT JOIN TOGETHER, IN A MANNER CONSISTENT WITH THEIR SHARED INTERESTS AND CAPACITIES, TO SECURE GENERALLY AGREED OBJECTIVES.

MOST COUNTRIES OF THE REGION, FOR EXAMPLE, ACCEPT THE ADVANTAGES OF A HIGH LEVEL OF INVOLVEMENT IN INTERNATIONAL TRADE, AND OF THE MARKET DISCIPLINE ASSOCIATED WITH THAT, AS WELL AS WELCOMING FOREIGN INVESTMENT.

CONTINUED GROWTH OF COUNTRIES OF THE REGION HAS THEREFORE BEEN THREATENED BY THE RECENT SLOW-DOWN AND DECLINE IN WORLD TRADE.

THE RECENT RECESSION-INDUCED PROLIFERATION OF PROTECTIONIST BARRIERS, AND THE ENCROACHMENT OF BILATERALISM IN TRADE ARRANGEMENTS, CONSTITUTE MAJOR CHALLENGES TO THE VERY BASIS OF THE ORDERLY INTERNATIONAL TRADING SYSTEM UPON WHICH WE ALL DEPEND.

WE NEED CONCERTED EFFORTS TO RE-ESTABLISH CONDITIONS CONSISTENT WITH AN OPEN, MULTILATERAL TRADE REGIME. WE MUST GET BEYOND WORDS AND EXHORTATIONS - PURPOSEFUL ACTION AND A SENSE OF COMMITMENT IS WHAT IS REQUIRED.

IN LINE WITH THIS, WE OF THE REGION SHOULD BE SOMEWHAT MORE ACTIVE, AND THEREFORE MORE EFFECTIVE IN SECURING ADHERENCE TO THIS PRINCIPLE, ESPECIALLY IN RESPECT OF THE TRADE IN GOODS THAT ARE OF SPECIAL INTEREST TO BOTH INDUSTRIALISED AND DEVELOPING COUNTRIES IN THE REGION.

MANY OF YOU WOULD BE AWARE THAT UNITED STATES TRADE REPRESENTATIVE BROCK RECENTLY PROPOSED THAT A NEW ROUND OF INTERNATIONAL TRADE NEGOTIATIONS COMMENCE IN 1987, WITH PREPARATION TO BEGIN IN LATE 1984 OR EARLY 1985.

REPRESENTATIVE BROCK HAS SUGGESTED THAT THE NEW ROUND, AMONG OTHER THINGS, FOCUS ON REDUCING THE NON-TARIFF BARRIERS TO TRADE IN INDUSTRY AND AGRICULTURE, PRIMARILY GOVERNMENT SUBSIDIES.

MANY COUNTRIES IN THIS REGION HAVE PARTICULAR PROBLEMS WITH SUCH MATTERS AND WOULD STAND TO GAIN CONSIDERABLY FROM ANY PROCESS WHICH MIGHT SECURE PROGRESS ON THEM.

THE DOMINANCE OF GATT BY THE ESTABLISHED INDUSTRIAL COUNTRIES AND THE TREATMENT OF TRADE IN AGRICULTURAL COMMODITIES AS "SPECIAL" HAS LED TO THE DENIAL OF THE INTERESTS OF FOOD-EXPORTING COUNTRIES LIKE AUSTRALIA AND THAILAND. THIS DOMINANCE HAS ALSO LED TO THE DENIAL OF THE INTERESTS OF NEWLY INDUSTRIALISING COUNTRIES LIKE ALL OF THE ASEAN MEMBERS IN RESPECT OF LABOUR INTENSIVE EXPORTS SUCH AS TEXTILES, CLOTHING AND FOOTWEAR.

AUSTRALIA FOR ITS PART WOULD STRONGLY SUPPORT A NEW ROUND OF MULTILATERAL TRADE NEGOTIATIONS, BUT ONLY IF IT WAS CONFIDENT THAT IT WOULD ADDRESS SERIOUSLY AND EFFECTIVELY THESE MATTERS OF SPECIAL IMPORTANCE TO AUSTRALIA, NEW ZEALAND AND OUR DEVELOPING COUNTRY NEIGHBOURS IN THE ASIA PACIFIC REGION.

THE CHANCES OF ACHIEVING AN APPROPRIATELY STRUCTURED ROUND OF NEGOTIATIONS WOULD BE GREATLY ENHANCED IF THE COUNTRIES OF THIS REGION WERE TO APPLY THEIR FULL AND UNITED WEIGHT TO ITS ACHIEVEMENT.

CERTAINLY THE DAY SHOULD BE LONG PAST WHEN NEGOTIATIONS OF THE KIND NOW PROPOSED CAN, AS IN PREVIOUS ROUNDS, RESTRICT SERIOUS DELIBERATIONS TO PARTICULAR TARIFF REDUCTIONS AND SELECTIVE FORMS OF MARKET LIBERALISATION OF INTEREST ONLY TO A LIMITED NUMBER OF INDUSTRIAL MAJORS.

THIS REGION AS A REGION - BY WHICH I MEAN THE WESTERN PACIFIC, INCLUDING JAPAN - SHOULD BE CONSIDERING HOW IT MIGHT MOST EFFECTIVELY APPROACH THESE NEGOTIATIONS.

THE REGION NEEDS TO BECOME INCREASINGLY AWARE OF THE KIND OF IDENTIFIABLE AND SPECIAL ROLE IT CAN PLAY IN TRADE NEGOTIATIONS OF THIS KIND.

NOT TO DO SO MIGHT WELL MEAN THAT THE COMPETITIVE EDGE MANY IN THE REGION NOW ENJOY IN SO MANY AREAS COULD BE ERODED.

AUSTRALIA, THE ASEAN COUNTRIES, NEW ZEALAND AND THE MARKET ECONOMIES OF NORTHEAST ASIA SHOULD WORK WITHIN THE MULTILATERAL SYSTEM TO ENSURE THAT ANY NEGOTIATIONS ARE ABOUT GENUINE TRADE LIBERALISATION.

WE SHOULD ALSO ENCOURAGE THE EFFORTS OF THE UNITED STATES AND CANADA IN THIS DIRECTION.

THIS KIND OF RESULT WOULD ENSURE THAT THE REGION CAN MAXIMISE ITS OWN GROWTH POTENTIAL AND AT THE SAME TIME IMPROVE THE WORLD TRADING ENVIRONMENT.

THE MAJOR ESTABLISHED TRADING POWERS HAVE NEVER SEEMED LESS ABLE TO FORMULATE POLICIES WHICH WILL IMPROVE THE TRADING ENVIRONMENT.

WE IN THE REGION THEREFORE OWE IT TO OURSELVES TO FILL THE VACUUM.

I RECOGNISE THAT CO-ORDINATION OF A REGIONAL PERSPECTIVE ON THESE MATTERS WILL BE NO EASY MATTER.

AT THE VERY LEAST WE SHOULD HAVE TO PROMOTE AN ATMOSPHERE CONDUCIVE TO THE ADOPTION OF SPECIFIC CO-ORDINATED POLICY ACTIONS TO ACHIEVE SHARED TRADE AND DEVELOPMENT OBJECTIVES.

THIS OBVIOUSLY WILL TAKE TIME AND A DELIBERATE EFFORT WILL BE NEEDED TO RECONCILE DIFFERING NATIONAL PERSPECTIVES ON THE BASIS OF ENHANCED UNDERSTANDING OF THE CRITICAL ISSUES.

IT IS IN THE INTERESTS OF ALL OF US THAT THE EFFORT BE MADE.

AUSTRALIA IS PREPARED TO PLAY ITS PART. IN MY DISCUSSIONS WITH PRIME MINISTER PREM YESTERDAY, I ASSURED HIM THAT AUSTRALIA WAS PREPARED TO TAKE ACTION IN ALL RELEVANT INTERNATIONAL FORA TO TRY TO ACHIEVE THE CREATION OF A MORE OPEN TRADING ENVIRONMENT.

IT IS GENERALLY RECOGNISED THAT THE AUSTRALIAN INDUSTRY ASSISTANCE PROGRAM IS HIGHLY TRANSPARENT. IT IS LESS OFTEN APPRECIATED THAT BOTH NOMINAL AND EFFECTIVE AUSTRALIAN RATES OF ASSISTANCE TO THE MANUFACTURING SECTOR HAVE DECLINED SUBSTANTIALLY IN THE PAST FIFTEEN YEARS - BY 33 PER CENT IN THE CASE OF THE NOMINAL RATE OF ASSISTANCE AND BY 28 PER CENT IN THE EFFECTIVE RATE IN THE PERIOD 1968-69 TO 1981-82.

BUT IF OUR BEST EFFORTS SHOULD FAIL TO OVERCOME THE CONSISTENT COMMITMENT OF MANY OF THE OLD INDUSTRIAL COUNTRIES TO PATTERNS OF TRADE THAT DISCRIMINATE AGAINST AUSTRALIA, THE ASEAN COUNTRIES, AND OTHER COUNTRIES IN OUR REGION, WE SHOULD NOT LET THAT BE THE END OF THE MATTER.

THERE WOULD STILL BE SCOPE FOR NEGOTIATIONS ON TRADE EXPANSION AMONG COUNTRIES WITHIN OUR OWN REGION, ON A NON-DISCRIMINATORY BASIS, BUT FOCUSSED ON COMMODITIES IN WHICH COUNTRIES IN OUR OWN REGION ARE THE MOST COMPETITIVE SUPPLIERS.

AUSTRALIA WOULD BE WILLING TO JOIN OTHER COUNTRIES IN OUR REGION IN A REGIONALLY BASED SEARCH FOR A NON-DISCRIMINATORY AGREEMENT ON TRADE EXPANSION THAT SERVED THE NATIONAL INTERESTS OF EACH OF OUR COUNTRIES.

THE RECENT HOBART TRADE CONFERENCE ON PROTECTIONISM AND THE ASIAN PACIFIC REGION WAS A USEFUL FIRST STEP IN EXPLORING THE POSSIBILITIES SUCH AN APPROACH MIGHT OFFER.

THE RATE AT WHICH THE BILATERAL TRADE AND ECONOMIC RELATIONSHIP BETWEEN AUSTRALIA AND THAILAND HAS DEVELOPED IN RECENT YEARS SUGGESTS THAT THERE IS REAL SCOPE FOR JOINT ACTION OF THE KIND I AM ADVOCATING.

THAILAND, A COUNTRY RICH IN HUMAN AND MATERIAL RESOURCES, CLEARLY HAS THE CAPACITY AND FLEXIBILITY TO MAKE ITS OWN DISTINCTIVE CONTRIBUTION TO REGIONAL GROWTH PATTERNS.

THE THAI ECONOMY IS PROVING TO BE AMONG THE MOST ROBUST WITHIN THE REGION.

ITS TRADITIONAL STRENGTH AS A COMMODITY PRODUCER HAS LONG BEEN RECOGNISED.

MORE RECENTLY INDUSTRIAL DEVELOPMENT HAS BEEN PROCEEDING RAPIDLY.

OPPORTUNITIES ABOUND IN THESE CIRCUMSTANCES FOR INVESTORS, EXPORTERS AND CONSULTANTS.

BILATERAL AUSTRALIA/THAILAND TRADE REFLECTS THIS.

IT HAS BEEN GROWING RAPIDLY.

AS IT HAS DONE SO THE EXTENT TO WHICH WE SHARE COMMON INTERESTS HAS BECOME INCREASINGLY APPARENT.

AS COMMODITY PRODUCERS - BOTH OF FOODSTUFFS AND MINERALS - WE HAVE AN INTEREST IN SEEING THAT THE ADVANTAGES OF AN OPEN, MULTILATERAL TRADING SYSTEM ACCRUE TO THESE PRODUCTS.

IN THIS CONTEXT IT IS IN OUR MUTUAL INTERESTS TO WORK TOGETHER TO DISMANTLE THOSE BARRIERS - BOTH TARIFF AND NON-TARIFF - IMPEDING TRADE BASED ON RATIONAL ECONOMIC PRINCIPLES.

SECOND, AUSTRALIA HAS TECHNOLOGY, EXPERTISE AND EQUIPMENT WHICH CAN ASSIST THAILAND IN ITS ECONOMIC DEVELOPMENT.

WE HAVE A LOT TO OFFER IN THE FIELDS OF RURAL AND MINERAL RESOURCE DEVELOPMENT, AND ALSO IN THE AREAS OF PUBLIC HEALTH AND SOCIAL DEVELOPMENT.

PRIME MINISTER PREM EXPRESSED INTEREST YESTERDAY IN AUSTRALIA INCREASING ITS INVOLVEMENT IN THESE AREAS IN THAILAND, AND I HAVE AGREED THAT AUSTRALIAN AND THAI OFFICIALS SHOULD WORK TOGETHER TO IDENTIFY SPECIFIC PROPOSALS FOR THE CONSIDERATION OF THE TWO GOVERNMENTS.

NEEDLESS TO SAY IF EFFECT IS TO BE GIVEN TO THESE PROPOSALS BOTH GOVERNMENTS WILL REQUIRE THE ACTIVE SUPPORT OF THE PRIVATE SECTOR IN BOTH COUNTRIES.

I AM SURE THAT IT IS HELPFUL TO ALL OF YOU HERE TO HAVE THIS SENSE OF THE PRIORITIES OF OUR RESPECTIVE GOVERNMENTS FOR FUTURE CO-OPERATIVE SOCIAL AND ECONOMIC DEVELOPMENT IN THAILAND.

AS FOR THE AUSTRALIAN GOVERNMENT, IT IS DETERMINED TO IMPROVE AUSTRALIA'S EXPORT PERFORMANCE.

THE GOVERNMENT HAS ALREADY TAKEN STEPS TO GIVE EFFECT TO THIS INTENTION.

IT HAS ANNOUNCED A NUMBER OF MEASURES DESIGNED TO ENABLE THE EXPORT FINANCE AND INSURANCE CORPORATION TO OFFER MORE ATTRACTIVE AND FLEXIBLE FACILITIES IN THE FIELD OF EXPORT FINANCE.

THIS WILL BE OF BENEFIT NOT ONLY TO AUSTRALIAN EXPORTERS, BUT TO THOSE WHO WISH TO AVAIL THEMSELVES OF AUSTRALIAN MACHINERY AND EQUIPMENT FOR THEIR ECONOMIC DEVELOPMENT.

PENDING THE OUTCOME OF THE CURRENT EXAMINATION OF AUSTRALIA'S AID PROGRAM BY THE JACKSON COMMITTEE, THE GOVERNMENT HAS SUBSTANTIALLY INCREASED TO \$60 MILLION THE TOTAL FUNDING COMMITMENT PERMISSIBLE TO THE AUSTRALIAN DEVELOPMENT ASSISTANCE BUREAU TO PROVIDE AID GRANTS IN CONJUNCTION WITH EFIC LOANS TO ASSIST COUNTRIES ENTERING UPON DEVELOPMENT PROJECTS BASED ON AUSTRALIAN SOURCES.

AS WELL AS TAKING SUCH STEPS TO ASSIST AUSTRALIAN EXPORTERS, AND ENCOURAGE THEM TO BE MORE OUTWARD LOOKING, THE GOVERNMENT IS DEVELOPING A MORE TARGETTED APPROACH TO EXPORT DEVELOPMENT. A MEDIUM-SIZED COUNTRY LIKE AUSTRALIA CANNOT AFFORD TO SPREAD ITS EFFORTS TOO THINLY, AND ACCORDINGLY WE ARE GIVING PRIORITY TO DEVELOPING THE ECONOMIC LINKS WITH THE ASIAN PACIFIC REGION.

A FURTHER FACTOR ENHANCING ECONOMIC RELATIONS BETWEEN AUSTRALIA AND THAILAND HAS BEEN THE USEFUL, IF NOT DRAMATIC, CONTRIBUTION TO THAILAND'S ECONOMIC AND SOCIAL DEVELOPMENT OF AUSTRALIAN INVESTMENT.

FOR THE FIRST SIX MONTHS OF 1983 THE NUMBER OF APPROVALS OF AUSTRALIAN INVESTMENT PROPOSALS BY THE THAILAND BOARD OF INVESTMENT EXCEEDED THOSE OF ANY OTHER COUNTRY.

A NUMBER OF JOINT AUSTRALIAN-THAI VENTURES ARE THE LEADING COMPANIES IN THEIR RESPECTIVE SECTORS IN THAI INDUSTRY.

WHILE THE LEVEL OF AUSTRALIAN INVESTMENT IN THAILAND IS NOT LARGE, THE MANAGEMENT SKILLS AND EXPERTISE ACCOMPANYING IT ARE OF PARTICULAR RELEVANCE.

AUSTRALIA'S EXPERTISE IN AGRICULTURE, FOOD PROCESSING, MINERALS DEVELOPMENT AND AGRICULTURAL AND MINING MACHINERY DEVELOPMENT ARE WELL RECOGNISED.

THEY FIND A PARTICULAR APPLICATION IN OUR AID PROGRAM TO THAILAND.

THAT PROGRAM, WHICH THIS YEAR IS EXPECTED TO TOTAL AROUND \$20 MILLION, IS DEVOTED PRINCIPALLY TO AGRICULTURAL PROJECTS BUT IS ALSO SUPPORTING THAILAND'S EFFORTS TO REPLACE OIL IMPORTS WITH INDIGENOUS ENERGY RESOURCES AND IS CONTRIBUTING - THROUGH ROAD AND DAM CONSTRUCTION - TO THAILAND'S INFRASTRUCTURE DEVELOPMENT.

OBVIOUSLY THE RANGE AND DEPTH OF AUSTRALIA'S RELATIONS WITH THAILAND IS CONSIDERABLE.

THIS CONTRIBUTES IMPORTANTLY TO PROSPERITY IN BOTH OUR COUNTRIES.

IT ALSO CONSTITUTES A VERY SOUND BASIS UPON WHICH TO DEVELOP CO-OPERATIVE POLICY ACTION INTO THE LONGER TERM.

THIS FINDS PARTICULAR AND IMMEDIATE APPLICATION IN OUR SHARED INTERESTS AS COMMODITY PRODUCERS.

WE HAVE BOTH SUFFERED THE CONSEQUENCES OF RECESSION - INDUCED FALLS IN COMMODITY PRICES, AND BOTH STAND TO GAIN FROM A RESTORATION OF COMMODITY PRICES THAT JUSTIFY INVESTMENT.

THE SITUATION IN THE SUGAR MARKET IS A MATTER OF ESPECIAL ANXIETY.

AUSTRALIA AND THAILAND HAVE BOTH BEEN WORKING TOGETHER - I BELIEVE VERY EFFECTIVELY - IN THE HOPE OF SECURING A NEW INTERNATIONAL SUGAR AGREEMENT, WITH EEC MEMBERSHIP, WHICH WOULD STABILISE PRICES AT LEVELS REMUNERATIVE FOR EFFICIENT SUGAR PRODUCERS.

THE SUBSIDISED SUGAR EXPORTS OF THE EEC HAVE IN PAST YEARS GROSSLY DISTORTED WORLD SUGAR MARKETS TO THE DETRIMENT OF BOTH THE THAI AND AUSTRALIAN SUGAR INDUSTRIES.

PROBLEMS IN THE TIN MARKET HAVE ALSO BEEN OF CONCERN NOT ONLY TO AUSTRALIA AND THAILAND, BUT ALSO TO MALAYSIA AND INDONESIA.

AUSTRALIA SHARES THOSE CONCERNS.

IT IS, I BELIEVE, A STRONG REGIONAL INTEREST THAT STABLE CONDITIONS BE RESTORED TO THE TIN MARKET.

ACCORDINGLY AS I YESTERDAY ADVISED PRIME MINISTER PREM WE HAVE DECIDED IMMEDIATELY TO JOIN OUR ASEAN NEIGHBOURS, THAILAND, MALAYSIA AND INDONESIA, AS MEMBERS OF THE RECENTLY FORMED ASSOCIATION OF TIN PRODUCING COUNTRIES (ATPC).

WE SEE THIS AS USEFULLY COMPLEMENTING ACTIVITIES OTHERWISE BEING MOUNTED UNDER THE INTERNATIONAL TIN AGREEMENT (ITA).

MORE GENERALLY AUSTRALIA IS COMMITTED TO BUILDING A STRONG, MUTUALLY BENEFICIAL ECONOMIC RELATIONSHIP WITH ITS NEIGHBOURS IN ASEAN AND THE WIDER REGION OF ASIA AND THE PACIFIC.

THE ASEAN COUNTRIES HAVE BECOME A MAJOR MARKET FOR AUSTRALIAN GOODS AND EVERYTHING POINTS TO CONTINUATION AND INTENSIFICATION OF THIS PATTERN.

FIELDS SUCH AS BANKING, COMMUNICATIONS, SOFTWARE, INTERMEDIATE TECHNOLOGY, CONSULTING SKILLS AND EDUCATION ARE ONLY NOW OPENING UP.

AUSTRALIA HAS A CONSIDERABLE AMOUNT TO OFFER IN THESE AREAS AS WELL AS IN NEW AND GROWING MARKETS FOR RAW MATERIALS, PRIMARY PRODUCTS, AND PROCESSED GOODS.

REALISATION OF THE FULL POTENTIAL PRESENTED BY THESE OPPORTUNITIES WILL HINGE IN PART ON A VERY CONSIDERABLE STEPPING UP OF AUSTRALIAN INVOLVEMENT WITH THE REGION.

AUSTRALIAN INVESTMENT IN GROWTH MARKETS, A CAREFUL BUT DELIBERATE SEARCHING OUT OF JOINT-VENTURE OPPORTUNITIES, AND DELIBERATE ATTENTION TO CONSOLIDATING AND DEVELOPING SUPPORT SERVICES, PARTICULARLY IN BANKING AND TRANSPORTATION, ARE AMONG THE ELEMENTS MOST CRUCIAL TO SUCCESSFUL, LONG-TERM CONSOLIDATION AND EXPANSION OF THIS INVOLVEMENT.

THIS IN TURN PRESUMES AN ABILITY TO DEVELOP THE SKILLS, POLICIES AND ATTITUDES NECESSARY TO MATCH THE DEMANDS OF THE REGION.

WE ARE HELPED CONSIDERABLY IN THIS, AS I SUGGESTED AT THE OUTSET, BY THE UNDERSTANDING GENERATED BY THE INCREASINGLY LARGE TWO-WAY FLOW OF PEOPLE BETWEEN AUSTRALIA AND THE ASEAN COUNTRIES.

WHAT HAS BEEN LACKING UNTIL NOW, HOWEVER, HAS BEEN A COHERENT STRATEGY.

THE TIME HAS COME TO MOVE BEYOND PIECEMEAL, OFTEN INCONSISTENT, RESPONSES TO VAGUE GLIMMERINGS OF OPPORTUNITY, TO A CAREFULLY TARGETTED, DELIBERATELY INTEGRATED APPROACH THAT COMBINES THE BEST THAT ON-THE-SPOT EXPERIENCE CAN OFFER WITH NECESSARY CAPITAL EXPERTISE AND POLICY BACK-UP.

WHILE REALISATION OF THIS OBJECTIVE WILL REQUIRE A GREAT DEAL OF EFFORT, A COMMITMENT TO DELIBERATE, BALANCED, AND CONSISTENT APPROACHES IS IN AUSTRALIA'S VIEW VITAL.

WHAT IS NEEDED NOW IS MOST CAREFUL ATTENTION TO MATTERS SUCH AS CONDITIONS CONDUCIVE TO A CONFIDENT INVESTMENT CLIMATE, THE EFFECTIVENESS OF MECHANISMS FOR TECHNOLOGY TRANSFER, AND THE ADOPTION OF TRADE AND ECONOMIC POLICIES SUPPORTIVE OF DEVELOPMENT STRATEGIES APPROPRIATE TO CONTINUED GROWTH IN INCOMES WITHIN THE REGION.

ALL GOVERNMENTS WITHIN THE REGION DO, I BELIEVE, SHARE AN INTEREST IN SUCH MATTERS.

I HAVE ALREADY SUGGESTED THAT A PARTICULAR APPLICATION OF THAT INTEREST WOULD LIE IN THE GENERATION OF A JOINT REGIONAL APPROACH TO ISSUES OF COMMON CONCERN SHOULD A FUTURE ROUND OF MULTILATERAL TRADE NEGOTIATIONS MATERIALISE.

BUT LOOKING FURTHER INTO THE FUTURE AND CONSIDERING THE DEPTH OF SHARED INTERESTS BETWEEN COUNTRIES OF THE REGION, CO-OPERATIVE ENDEAVOUR BETWEEN US SHOULD NOT BE CONFINED TO TRADE MATTERS.

THE MORE WE CAN CONSOLIDATE ECONOMIC AND TRADING INTERESTS BETWEEN ALL COUNTRIES OF THE REGION, THE GREATER NOT ONLY WILL BE THE CONTRIBUTION TO INDIVIDUAL COUNTRY PROSPERITY BUT ALSO THE STIMULUS TO INTERNATIONAL ECONOMIC GROWTH AND RECOVERY.

ACCORDINGLY RATHER THAN BEING CONTINUALLY DAUNTED BY THE COMPLEXITIES AND SENSITIVITIES OF ACHIEVING EFFECTIVE CONSOLIDATION OF SUCH INTERESTS, WE SHOULD, AT BOTH THE NATIONAL AND REGIONAL LEVELS, BE PREPARED TO PUT ASIDE THE BLINKERS AND BEGIN SERIOUSLY EXPLORING THE SCOPE FOR WELL-CO-ORDINATED, TRULY CO-OPERATIVE APPROACHES.

ULTIMATELY WE ALL STAND TO GAIN FROM SUCH APPROACHES.