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Department
of Trade

Media Release

VISIT TO THE MIDDLE EAST AND CYPRUS

Statement by the Acting Prime Minister and Minister for Trade
The Hon. Lionel Bowen

The Hon. Lionel Bowen returned over the weekend from a 15 day visit to Bahrain, Egypt, Kuwait, Cyprus and Saudi Arabia. He was accompanied by a large delegation of Australian business leaders and industry representatives from a broad cross-section of Australia's commercial interests.

Mr Bowen said the mission had been an outstanding success, in that it had laid the groundwork for a substantial expansion of Australia's commercial interests in the area. "The delegation was extremely well received throughout the visit and it is clear that there is a great deal of goodwill towards Australia in each of the countries we visited. I am convinced that significant new opportunities exist for Australian exporters, contractors and consultants in the Middle East despite the contraction that has taken place in some sections of business in the region. The pace and scale of development continues to be most impressive and is now focussing on a number of areas in which Australia is well placed to pick up business. Prospects include projects related to agricultural and mineral development, hospital management, engineering work and increasing trade in our traditional exports of foodstuffs and raw materials."

Important opportunities exist for joint venture arrangements and for exports of those high technology products in which we are world leaders.

The Minister said he was especially pleased by the assurance from the Saudi Arabian Government of a positive response to an Australian bid for a multi-million dollar contract covering the management and staffing of hospitals at Makkah, Madinah and Riyadh. "This would be a new development in Australia's trade and an important opportunity to display Australian medical and management skills", Mr Bowen said.

"It is clear that in order to capitalise on these opportunities it is essential for Australian businessmen to establish and maintain personal contact with people in the region with whom they wish to do business and, in many cases, with key government authorities."

He said "I believe this visit has opened many doors. There is strong interest in the Middle East in training in Australia, both in the private sector and in post-graduate training in our tertiary institutions. A number of Australian companies are already offering short-term training to people from the Middle East and I will be encouraging the further development of this, which will ultimately advance our trading interests."

"During my visit I met with President Mubarak of Egypt, the Amir of Bahrain, His Highness Sheikh Isa Bin Sulman Al Khalifa, Crown Prince and Prime Minister of Kuwait, H.H. Sheikh Sa'ad Abdullah Al-Sabah, President Kyprianou of Cyprus and a number of senior government ministers and leading businessmen in each of the countries visited", Mr Bowen said.

He stated "In Saudi Arabia it was notable that, in addition to my discussions with five Government Ministers, a very large and high level Saudi Arabian delegation attended the Second Session of the Australia/Saudi Arabia Joint Commission held in Riyadh this week. I have invited the contacts which we have made at that meeting, together with those who attended excellent meetings with the Riyadh and Jeddah Chambers of Commerce, to follow up our visit by attending the Third Session of the Joint Commission, which will be held in Australia towards the end of 1984. The text of the Joint Communique issued after the meeting is attached, together with a list of business and industry members of the Australian delegation."

Mr Bowen said "Whilst in Cyprus I signed an Australian/Cyprus Trade Agreement. This Agreement provides a good framework for the development of commerce between our two countries and represents a valuable step in the development of our relations with that country."

Canberra
19 December 1983

JOINT COMMUNIQUE OF THE AUSTRALIA/SAUDI ARABIA JOINT COMMISSION

At the invitation of His Excellency Dr Soliman Al-Solaim, Minister of Commerce of Saudi Arabia, The Hon Lionel Bowen, MP, Deputy Prime Minister and Minister for Trade of Australia, paid an official visit to Saudi Arabia from 7-11 Rabi Al-Awal, 1404H, corresponding to 11-15 December 1983.

2. The purpose of Mr Bowen's visit was to lead the Australian delegation to the second meeting of the Joint Commission between Australia and Saudi Arabia, at which bilateral trade and economic and technical co-operation between the two countries were discussed. Members of the Australian delegation, which included senior executives from leading companies and authorities, are listed in Attachment A. The Saudi Arabian delegation was led by His Excellency Dr Soliman Al-Solaim, Minister of Commerce, who was accompanied by senior businessmen and officials from Saudi Ministries. During his visit to Saudi Arabia, Mr Bowen was also received by :

H.R.H. Prince Abdulrahman bin Abdul, Vice Minister, Ministry of Defence

H.E. Eng Abdul Aziz Al-Zamil, Minister of Industry & Electricity

H.E. Dr Abdulrahman Abdul Aziz Al-Shaikh, Minister of Agriculture
and Water

H.E. Shaikh Muhammad Aba Al Khail, Minister of Finance & National Economy

3. The meetings were held in a friendly and cordial atmosphere and both delegations expressed their sincere desire to promote and strengthen economic and technical co-operation between the two countries. Dr Solaim noted with satisfaction that a particularly healthy atmosphere existed both politically and economically between the Kingdom of Saudi Arabia and Australia. He considered that the Joint Commission was important in bringing about this improved understanding. He stated that Saudi Arabia viewed Australia as a reliable source of strategic commodities and expressed the hope that this relationship would continue. Dr Solaim went on to outline the rapid development which had taken place in the trade relationship over the last five years.

Mr Bowen said that the new Australian Government attached great importance to close and friendly ties between Saudi Arabia and Australia. For its part Australia welcomed Saudi Arabia's active efforts in seeking peace and stability in the Middle East, an objective strongly supported by the Australian Government.

It was noted that both delegations to the Second Joint Commission were represented at a very high level. This reflected a strong desire to see a mutual increase in trade and economic co-operation. Australia hoped that new opportunities would be created for manufactured and semi-manufactured products, for joint ventures and for the provision of Australian technical expertise to aid Saudi Arabian development projects and training programmes. As one of the most efficient producers and exporters of agricultural products and raw materials, Australia was keen to promote further trade in these products.

4. Both Ministers agreed that there was considerable scope for the development of bilateral trade in the future and the Joint Commission considered a number of specific issues of interest to both countries.

Manufactured Products

5. Dr Solaim noted the growth of Australian exports in manufactured goods particularly transport equipment and copper ingots. The Joint Commission also noted that there existed good opportunities for Australian companies to produce manufactured goods in joint venture with Saudi entrepreneurs in the Kingdom.

Building and Construction

6. The Joint Commission recognised the strong capabilities of Australian manufacturers, contractors and consultants and the possibilities for co-operation in this area. It is hoped that contact between Australian and Saudi Arabian contracting organisations would increase.

Grains

7. The Joint Commission noted the importance of Australia's feed barley exports to the Kingdom and that a good Australian harvest this year had ensured its ability to meet the Kingdom's needs. Dr Solaim provided the background to the adjustments to the Kingdom's barley subsidy system which would lead to greatly increased imports from Australia in 1984 compared with 1983. It would also ensure, he noted, a reduction in the trade surplus at present in the Kingdom's favour.

Meat

8. The Australian side expressed satisfaction with the success of the agreement between the two nations regarding the trans-shipment by air of chilled meat. Australia was anxious for the growth of trade in carcass meat and packaged meat to continue. The Australian side noted that a new system of halal meat certification and export controls was coming into effect from 1 January 1984 and that this system would contribute to the strengthening of the trade in carcass and packaged meat. The Australian side noted with satisfaction the entry of the Saudi Livestock Transport and Trading Company into the live sheep trade and its facilities to carry reefer containers for meat on its vessels.

Dairy Products

9. The importance of cheese sales in Australia-Saudi Arabia trade was noted and the Australian side expressed its hope that this trade would continue to develop.

Fruit

10. The Australian side highlighted the possibilities which exist for an increase in trade in fresh and canned fruit. This will be followed up by more detailed discussions in 1984.

Saudi Arabian Exports to Australia

11. Dr Solaim drew attention to the developments taking place in the Saudi Arabian petrochemical industry particularly in respect of new products coming on stream in 1984 and 1985. He expressed the hope that Saudi Arabia could obtain a share of the Australian market for these products. Dr Solaim presented Mr Bowen with a letter outlining his views on this proposal. The Australian side pointed out the present difficult situation which exists in the Australian industry, but believed there was scope to examine areas where trade might be developed between the two countries. Caustic soda was identified as a major item in this regard.

Meteorology and Environment

12. Both sides noted with pleasure the continuing progress achieved in the implementation of the contract between Saudi Arabia's Meteorology and Environment Protection Administration and the Australian Overseas Projects Corporation. It was noted that the co-operation would be renewed and extended in 1984.

Medical and Health Services

13. The Australian side welcomed the positive response to the Australian bid for management and staffing of hospitals at Makkah, Madinah, and Riyadh. It was also noted that proposals for other hospital projects in the Kingdom had been submitted by Australia. The Joint Commission also noted the successful medical training co-operation between Al Kharj Hospital and the Royal College of Physicians in Sydney and looked forward to further co-operation in the health services field.

Bilateral Co-operation in Agriculture

14. The Joint Commission noted that Australia was recognised as a world leader in agricultural development and research and that Australian institutions could play a particularly vital role in the education, training and development to be undertaken by the emerging Saudi Arabian joint stock agricultural companies. The Saudi Arabian delegation advised that the time was opportune for the promotion of Australian technology in the field of agriculture and expressed satisfaction that the first group of Saudi farmers organised by the Ministry of Agriculture and Water would be visiting Australia next year under an arrangement with the West Australian Institute of Technology's WAITAID Division.

The Australian delegation drew attention to the holding of two conferences in Australia in 1984 which could be of interest to Saudi Arabia. They are the International Rangelands Conference in Adelaide from 13-18 May 1984 and the Third Australian Remote Sensing Conference (Landsat 84) from 21-25 May 1984.

Mr Bowen noted that he looked forward to a visit to Australia by the Saudi Arabian Minister for Agriculture and Water, Dr Al Shaikh, in April 1984.

Standards

15. The Joint Commission noted the central role of the Saudi Arabian Standards Organisation in the development of regional standards and placed particular value on continuing co-operation in this field.

Shipping

16. Dr Solaim noted that there was scope for the shipping specialists of the Kingdom and Australia to co-operate with a view to reducing freight costs. The question of vessels leaving Saudi ports empty was specifically noted by Dr Solaim.

Minerals

17. The Australian side referred to the expertise and skills which exist in Australia in the production processing and utilisation of minerals and identified the scope which exists for co-operation between the two countries in regard to raw materials and equipment supply, consulting services, joint ventures, training and technical co-operation. In the context of technical co-operation specific reference was made to the proposals for Australian assistance to the Deputy Ministry of Mineral Resources in reviewing the operation of its overseas geological surveys. With regard to the supply of minerals the Australian side outlined the possibility that exists for the supply of iron ore.

The Saudi side identified the need for significant increases in the consumption of copper and indicated an interest in obtaining increased supplies from Australia.

On investment, the development and exploitation of Saudi Arabian copper deposits was raised and proposed for further joint discussions.

Other Technical and Scientific Co-operation

18. The Joint Commission welcomed the discussions between CSIRO and the Saudi Arabian National Centre for Science and Technology on co-operation in meteorology, satellite data processing, arid land research, sand dune stabilisation and re-vegetation.

Next Meeting of Joint Commission

19. It was agreed that the next meeting of the Joint Commission should be held in Australia in late 1984.

Soliman Abdul Aziz Al-Solaim
Minister of Commerce
Kingdom of Saudi Arabia

Lionel F. Bowen
Deputy Prime Minister and
Minister for Trade
Australia

ATTACHMENT A

Business and Industry Representatives accompanying Deputy Prime
Minister and Minister for Trade, Lionel Bowen

Mr R.K. Barker
Managing Director
Wormald International Ltd

Mr J.A.N. Boniface
Senior Executive Engineer
Snowy Mountains Engineering Corporation

Mr J.J. Brown
Director
Brown and Lamond Bloodstock Pty Ltd

Mr R. Clough
Managing Director
Clough Engineering Group

Mr J.G. Campbell
Assistant General Manager
CSR Ltd

Mr K. Dingwall
Group Executive Director
Elders International

Mr R.H.V. Douglass
General Manager
Merchant Banking Services
Westpac Banking Corporation

Mr W.G. Faithfull
Chairman
Australian Professional Consultants Council

Mr K.J. Johnson
General Manager and Chief Executive
Clyde Industries Ltd

Mr B.R. Kean
General Manager
Boral Brick Pty Ltd

Mr G. Kelly
George Kelly & Co

Mr L.C. Knight
Managing Director
Australasian Training Aids Pty Ltd

Mr L. Knight
Chairman
Australian International Health Services

Mr P.J. Laver
General Manager, Operations
Broken Hill Proprietary Ltd

Mr G. Lumb
Managing Director
Concrete Constructions Pty Ltd

Mr J. O'Toole
Federal Secretary
Australasian Meat Industries Employees Union

Mr L.W. Purnell
Director - Trade and Commercial Services
Metal Trades Industry Association

Mr M. Rayner
Managing Director
Comalco Ltd

Mr E.J. Tansell
General Manager
Australian Barley Board

Mr S.L. Wallis
Executive Managing Director
Leighton Holdings Ltd

Dr J. White
General Manager, Engineering
Eglo Engineering Pty Ltd