



PRIME MINISTER

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SPEECH BY THE PRIME MINISTER
LUNCHEON FOR PRIME MINISTER OF THE REPUBLIC OF KOREA
CANBERRA - 6 MARCH 1986

Prime Minister and Mrs Lho

I recall with pleasure my visit to Seoul a little over two years ago. I remember the warmth of the hospitality extended to me on that occasion. I also recall, Prime Minister, the bracing temperatures in your otherwise beautiful country in the depths of February.

We had hoped to welcome President Chun Doo-Hwan to Australia in 1983, when his visit had to be cancelled as a result of the tragedy of the Rangoon bombing. We look forward to seeing him in Australia when circumstances permit.

Mr Prime Minister, I have great pleasure in welcoming you and your delegation here in Canberra and to Australia today.

Korea is a nation with which Australia has had contact over a long period. The connection goes back at least to the early days of this century, when Australian missionaries went to work in your country. Some 18,000 Australian servicemen fought in the Korean War and more than 250 Australians lost their lives during those hostilities.

After the war the relationship gradually changed as Korea itself changed. Our political links remain as firm as ever but, alongside them, the economic relationship has grown and become increasingly important to both our countries.

Two-way trade has now reached the level of \$1.6 billion per annum. In 1984/85 the Republic of Korea was our 8th largest trading partner, compared with our 14th largest in 1980/81. During that period trade between our two countries grew by over 110%.

Korean exports to Australia of manufactured goods are approaching annual levels of \$500 million. They are welcome to the Australian consumer. They have added to the range of commodities available on the Australian market and have enhanced our living standards.

Australia meantime has become a competitive and reliable supplier of energy and raw materials to Korean industry. We have also supplied a range of high quality farm products to your country.

In short, the trading relationship is a mutually beneficial and complementary one, and there seems no reason why it should not continue to grow and flourish in the future.

I am aware, of course, of our Korean friends' dissatisfaction with the imbalance in Australia's favour in our bilateral trade and of the Korean interest in greater access to the Australian market.

Concern has also been expressed from the Australian side about some Korean trading policies which appear to be restrictive or at odds with the declared objective of gradually opening the internal market.

It is important for the two sides to work together in a constructive spirit towards the resolution or management of these issues. The visit by our Trade Minister, Mr Dawkins, to Seoul last year was clear evidence of what can be achieved through this approach to the trade relationship between both our countries.

Korea and Australia are partners in the Asia-Pacific region. Australia recognizes Korea's important role and conspicuous efforts directed to achieving economic co-operation at the inter-Governmental and private sector levels. In particular, we appreciated Korea chairing the last meeting of Senior Officers of the Regional Trade Officials. We look forward to the continuation of this dialogue and to Korea's continued close involvement with the process.

Australia would like to see a situation where trade flows continue to expand between our countries. Exports in both directions have been going up by leaps and bounds, and the record of the last decade shows that Korean exports have been increasing considerably faster than those of Australia. There clearly are ample further opportunities for both sides to sell a lot more to each other and for both sides to benefit in consequence.

And it is important to note that the framework for our trading relations is underpinned by a healthy political relationship. We share with the Republic of Korea a number of common political concerns and international perceptions. We consider ourselves to be one of Korea's reliable friends and are prepared to play a positive role in helping the Republic of Korea consolidate its position as an important actor in the Asia-Pacific region.

I do not need to rehearse here the dangers and complexities of the Korean peninsula. Despite these, over the past year and a half we have witnessed noteworthy contacts and exchanges between North and South.

Australia naturally supports the contacts at Panmunjom and elsewhere. We were particularly pleased when last year, for the first time since the division of the peninsula some forty years ago, North and South were able to agree on an exchange of visits of separated family members. It is true that only in this one area, and then only one time, has there been tangible progress and that it is, therefore, necessary to remain cautious in our assessments of where these contacts will lead. Australia, nevertheless, shares the hopes of countries of goodwill around the world that the dialogue will continue.

Clearly, in developing the scope for further negotiations with the North, it is important that there be continued stable political development in the South. The pace and timing will necessarily be determined by Korean realities. It is nevertheless appropriate for me to record here the firm belief of the Australian community that a democratic and pluralistic political system is certain to be a source of enduring fundamental national strength. For us, we hold it as an article of faith that a political system that inspires political participation and support is not something which detracts from national security but is rather a key element of that security. It follows that we wish the Republic of Korea well in its march toward the announced goal of political modernisation and full democratisation.

Mr Prime Minister, our two countries are both looking forward to special events in 1988, events which mark the maturity of our countries. In that year Korea will play host to the most prestigious international sporting event, the Olympic Games. We are aware of the great efforts your country is making in preparations for the Games and Australians look forward to participating in them. Before that time we should exploit opportunities to expand exchanges between our two countries in the areas of sport and sport administration.

For our part, Australia will be celebrating its bicentenary. Many major events have been planned, some involving participation from abroad, and we hope that your country will be able to participate actively in our celebrations.

I conclude by again saying how glad my colleagues and I are to receive the Prime Minister of the Republic of Korea and Mrs Lho in Canberra. On your return, Mr Prime Minister, I should be grateful if you could convey our best wishes to His Excellency President Chun Doo-Hwan.

I now invite guests to join me in a toast to Prime Minister Shinyong Lho and to relations between his country and Australia.