



PRIME MINISTER

FOR MEDIA

2 March, 1991

I have decided that the Minister for Trade and Overseas Development, Dr Blewett, will lead a bipartisan mission to the United States.

The mission will meet representatives of both the US Congress and the US Administration to convey Australia's grave concern about the damage being done to our farmers by the Export Enhancement Program (EEP).

The mission was suggested by the Leader of the National Party in response to the escalating trade subsidies war between the EC and the United States. I have today written to the Leader of the Opposition, seeking his nominees for the mission.

Congressional consideration of the EEP for 1991 is imminent - possibly as early as 11 March 1991; therefore, the bipartisan mission needs to visit the United States next week.

Of course, the principal offender in corrupting international agricultural trade has been the European Community. But the US response to these policies through the EEP is causing our farmers increasing hardship.

The mission will convey our concerns to the US about the damaging side-effects of EEP, and, at the very least, seek to moderate its impact on Australia and our farmers.

Obviously, it is important for us to continue to make our strong representations to the Europeans who started the trade war, and whose export subsidies are double those of the US.

Australia, through our leadership of the Cairns Group, has been at the forefront in the Uruguay Round negotiations in imploring the Europeans to engage in meaningful reform of agricultural trade. In this regard, the restart of negotiations in the Uruguay Round is encouraging.

The Europeans are now engaged in an internal process of reform of the Common Agricultural Policy. As soon as the time is right, we will send a similar delegation to Europe, although this is likely to be some months away.

The mission, which will leave on Wednesday, will comprise Dr Blewett; Mr Brian Courtice, MP, Chairman of the Country Taskforce; a Shadow Minister and Opposition backbencher; and Mr John Allwright, President of the National Farmers Federation.

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Self-reliance means the capacity to defend yourself, if ever that is necessary. And in this sense, these vessels are the most modern and capable conventionally-powered submarines in the world. Based on the west coast of Australia they will substantially increase our capacity to defend our shores.

But defence self-reliance means much more than this. Any country which aspires to defence self-reliance must be capable not only of operating the necessary defence equipment on which its security depends but also of constructing and maintaining it.

In this sense too, these submarines are a proof of our self-reliance. It is Australian skill, ingenuity and sheer hard work which is making this project the success it is. More than seventy cents of each dollar to be spent on the platform work on these submarines are to be spent in Australia. Sub-contracts for over \$1 billion have already been let in Australia - with another \$900 million of work being performed by Australian Submarine Corporation.

So the project refutes the view that too often pervades Australian thinking that if something is technologically demanding then we should buy it from overseas.

I would like to pay tribute to Dr Williams and the people of the Australian Submarine Corporation, to Rear Admiral Hughes and his project team, and to the entire workforce, whose combined efforts have brought us to this point of laying the keel of Farncomb. You are right on budget, and right on schedule. The success has relied too on the support and encouragement of the South Australian Government, and others around the country who believed in the ability of Australian industry to construct submarines in this country.

This project then represents change and it represents the future. But in one respect, however, it stands for the traditions of the past. The names of these vessels have been selected to commemorate sailors of the Royal Australian Navy who embody the finest traditions of service and dedication. Admiral Harold Farncomb, in war and in peace, stood for and advanced these traditions and he is justly honoured today.

Finally, I would like to take this opportunity to pay tribute to the Chief of Naval Staff Vice Admiral Mike Hudson. Today marks his last formal ceremony before retiring at the end of next week, after a Naval career spanning nearly forty four years. He has been the longest serving Chief of Naval Staff since Vice Admiral Collins who retired in 1955.

In the past six years he has provided dynamic leadership in the development of standards and directions which I believe the Navy will value for many years to come.

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He has served with great distinction in ships and establishments of the Royal Australian Navy with an outstanding devotion to this country and his profession.

I would now like to invite him, and Mrs Farncomb, to help lay the keel for this new submarine.

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