



PRIME MINISTER

TRANSCRIPT OF INTERVIEW WITH THE PRIME MINISTER, THE HON. P. J. KEATING, M.P. - U.S. CAPITOL GROUNDS, WASHINGTON, U.S.A. MONDAY 13 SEPTEMBER, 1993

PM: There were a few questions on health but principally I think the, if you're after an impression of the last day or so, this is the right time to be in Washington, putting Australian views. With NAFTA about to be concluded in the Congress and with now the critical time with the Uruguay Round emerging with the end of the legislative fast track the President has on Uruguay this is the time to be talking about trade structures. And the conversation I just had with Speaker Foley and senior representatives of the Congress was about international trading structures; what's best for America and the world and countries like Australia and the Pacific. So, I think coming here at the moment, talking about Uruguay, a successful conclusion of it and also the future of APEC and its design - these are issues which are absolutely uppermost in the minds of American legislators and of course, the United States Administration.

J: What points did you make about APEC?

PM: Just that I think that it serves U.S. and Pacific interests generally. That is, either as an overlay to a successful Uruguay Round, that is something which can actually improve upon the outcome of Uruguay. Or in the event that the Uruguay Round fails and that the French seek to pull the rug on the Blair House Agreement, then in that case APEC defines a community with a high degree of integration. In fact APEC is more integrated in terms of intra-state trade than is the European Community or NAFTA. And it makes a lot of sense for the United States to be part of that, of that development even if it is in the configuration of NAFTA itself.

J: Was the American response from Mr Kantor expressed in those terms to you?

PM: They regard the legislative opportunity given to the fast track process to the President by the Congress as one which has to be taken up and therefore that the

Round - we need to be moving toward a conclusion of the Round now so that the December 15 date is observed.

J: But this ambitious notion of APEC as a community, was that something that was picked up by Mr Kantor?

PM: Yes, I think so. As a defined body of nations who've got a common interest and a high degree of integration. And how it develops, of course, will depend in some respects upon the Seattle ministerial meeting of APEC and the leaders' meeting as to what remit the leaders want to give APEC into the future. But there's no doubt the very defining of it, the drawing of a boundary around it, the recognition of the high degree of integration is something which is obviously of use to the United States as well as Australia.

J: (inaudible)

PM: I'd say that, in the Administration's mind - there is a lot of enthusiasm for it within the administration. Less so in the Congress, but I think the Congress is starting to understand the opportunity of APEC, the weight of the... the fact that fifty percent of world GNP is in the APEC area and it is accessible to the United States and that already United States exports to the Western Pacific are growing at three times the pace of imports to the United States from the Western Pacific. So, there's a natural economic opportunity there which I think Congressional leaders can see.

J: How do they see APEC and NAFTA fitting together, Prime Minister?

PM: Well, I would think that they see APEC being an opportunity whether the United States approaches it in a singular way - that is jointly or severally. Jointly with NAFTA or severally with say Canada, the United States and Mexico. In either event, it means a higher level of trade, a higher velocity of trade, greater opportunity to be part of a larger block, a larger group of nations who are experiencing rates of growth far higher than North America or Western Europe.

J: What about EEP, Prime Minister? How far did you push that and what was the reaction?

PM: Well, I said to them that we appreciated President Bush's commitment to Australians not to extend EEP into other markets. And we would appreciate that assurance being kept. And that consideration being given to Australia in markets where EEP formerly hasn't been - markets where Australia very definitely is. And the Trade Secretary said yes, he understood that, and their decision to stay away from the markets - the market in Indonesia for instance - was an example of the practical expression of that understanding.

Ends.