



PRIME MINISTER

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**TRANSCRIPT OF PRIME MINISTER'S ADDRESS (QUESTIONS & ANSWERS)
WORLD AFFAIRS COUNCIL, NEWPORT BEACH, U.S.A.
WEDNESDAY, 17 NOVEMBER, 1993**

Q: What does Australia think of NAFTA?

PM: Well, I've already answered some of that. There has been a discussion in our country about whether Australia should be part of a regional trade agreement with the United States. In other words, you might remember President Bush making a speech in the election campaign called the hub and spokes speech where the U.S. was proposing making bilateral trade agreements with countries of the Asia-Pacific. It was a sort of NAFTA writ large. I think NAFTA can work for the United States because there is a naturalness about it. Canada's already a large market and you share a common border with it. Mexico - you share a border with it and you have an interest in lifting the economy and society of Mexico in terms of its wealth. But I think a more natural arrangement is to free up trade so that countries can trade with one another and not be caught up in artificial bilateral arrangements. There's nothing particularly artificial about Mexico and Canada and the U.S., there's a naturalness about that.

But there can be an artificial quality to bilateral trade things. So, the notion that Australia should be part of NAFTA is, I think, not one which Australia would embrace, but, rather, seeing NAFTA part of APEC is a more natural thing. That is, whether the United States trades in an agreement with Canada or Mexico is immaterial to whether it trades into the Pacific or whether Canada trades into the Pacific or whether Mexico trades in the Pacific. So, we think NAFTA is good for the United States. It's not necessarily our ticket - our ticket is the bigger agenda of APEC and the U.S.'s involvement in that. Indeed the NAFTA partners' involvement in that. But, it does certainly underline, in the whole question about American directions, that the Congress has decided with the President, to look to the freer trade path because it's only in freer trade have we seen the great growth in incomes over the course of this century. So, I think if NAFTA's a bell weather of where the United States is going then NAFTA is something to be approved of.

Q: When we were in Australia quite recently there was a lot of discussion about the republic ..inaudible.. relationship with the Commonwealth ... Inaudible..?

PM: I think he's trying to get me into trouble! But I'm happy to oblige him. Australia is a very unusual situation. It's a large continental land mass, we're the only nation on earth with a continent to itself, eighteen million people, we've got to consolidate the place and be part of the region in which we live. And Australia has changed. It's not a monoculture, it's a diverse multicultural country. For instance, half our intake now from our migration program comes from Asia; there's about 150 nationalities in Australia at the moment. Multiculturalism has worked there very well indeed. The tolerance and sense of democracy in the place is profound.

We think that we are a different kind of country than the one that we might have known in the last century or even in the first half of this century. And that Australia should be represented for what it is. That is, an independent people with its own culture and its own cultural identity and that it can't make its way in the world as well as it might unless it so represents itself. Just as the people of the United States took a decision many years ago to manage their own affairs absolutely. This is something we are thinking of. Now, as you know now, the Queen of Great Britain is also the Queen of Australia and constitutional head of Australia. And I have been bold enough to say that I think that constitutional arrangement doesn't suit us anymore. And that Australians would be advantaged by moving to a republic, with an Australian person with our Head of State so that our whole, if you like, manifestation of the place and our representation of ourselves to the world is one a proud country which is indigenous and which is independent. And projecting that particularly in the area where we live.

An important part of that is also coming to terms with ourselves and we are just at the moment having our own NAFTA debate with an issue called Mabo. M-A-B-O. Which is the name of an Aboriginal person who succeeded in having our supreme court agree that there was a native title in the common law of Australia. And I have just introduced a Bill into the house of Parliament in Australia this week, to give an administrative expression, to build a body of administration and law so that the Aboriginal people of Australia secure land or repossess land as a common law right. A native title. And this is a matter of great debate, as you can imagine, in any country. But in coming to terms with our Aboriginal community, in seeking to let them repossess land long ago dispossessed, we will go forward much happier and more harmonious. But go forward a different kind of country than the one we used to be. And when we do that we'll be at our most powerful and our most persuasive in telling people about ourselves and, I think, to be doing that we'll be most successful. So these are the thoughts which are running through the mind of the nation. These are matters to be decided but for which there is already a very important debate.

Q: Who will open the Sydney 2000 Olympics, the Prime Minister or..?

PM: A real trouble maker, a real trouble maker. Well, the answer is our Head of State. My Party's objective is to see Australia become a republic by the year 2001 which is the Centenary of our federation. Well that's the 1st January 2001 and the Olympic games are

on in October or November of the year 2000. So there's only three months difference, so let's not haggle over three months and maybe we can get the job done before then, in which case it would be a simple answer. But, as none of us have a crystal ball I can only say, our Head of State.

Q: As America's our best mate, OK? How do you see our trade relationship?

PM: You want me to take that cold?

C: You take it!

Q: Well, we have, as I said, a great history together. I mean there is genuine warmth between the United States and Australia. Genuine warmth. People to people warmth. It's not just stylised government to government warmth it's not treaty warmth, it's real warmth. And I think that's evident here tonight in a reciprocal way. That's the key thing. The rest of it flows naturally.

We do have different economic interests and we live in different parts of the world. But we do live in the part of the world which is growing the most rapidly and that's the Asia-Pacific. So, as good friends of the United States we've taken the view that, sure, the Cold War has finished and a lot of that Cold War polarity has gone. And there may have been a view in the United States well in that case the peace dividend has come home from the Pacific. But I think too much of the Pacific policy has been made by the Defence Department and not enough by the Commerce Department and the State Department. So what we are saying as friends of the United States is, "Well, look we want to see the area blossom but we want to see you in it. We want to see you in it in terms of investment, in terms of trade. We want to see you there culturally. And we want to see you there strategically.

And by doing that, saying that, and arguing a case for the United States' participation in this part of the world, I think we argue the case of a friend, by a friend. And the result will be, I think, a much better Pacific, a much quieter Pacific and a more bountiful area. Not just for the countries of the Pacific but for the United States as well. So I'd like to see our relationship grow that way in trade terms. We'll still have our bilateral defence treaty but the most important thing I'd always like to see is more tourism, more visits by Americans to Australia and vice versa - to thicken up those personal relationships which, in the end, are the core relationships on which, country to country relationships, exist. And, they are the things I think we're most proud of. That boast of friendship between the United States and Australia which will remain and will provide the basis of whatever we do in trade, in investment or in strategic terms.

Q: Prime Minister do you share any of Doctor Mahathir's concerns that the United States ..inaudible.. too much power/ influence.. inaudible..?

PM: Well, there are many countries suspicious of the power of the United States but any country this large and this successful will always find its detractors. But, for my part I'm not, obviously, because I've argued the converse case. The key point, I think, for countries like Malaysia which worry about it, is this: The argument runs, you take a country like Malaysia or any such country and put it into APEC, it will get pushed around by a country like the United States. But the United States has a greater capacity to shape relationships through bilateral arrangements or unilateral arrangements and less of a capacity in a multilateral structure.

So, there is a great body of opinion in the United States administration and the Congress which says, "Don't sign up to multilateral structures. Don't lose our right basically, to be the top dog on the street. Don't multilateralise ourselves with a set of rules." That's what APEC means. The U.S. would multilateralise itself with a set of rules. It would give something away. But in return it gets a much greater access and more growth in the area of the Pacific, which can be of great benefit to it. So, for people who have fears about the United States' power there's more to be feared from the U.S. dealing with them unilaterally and bilaterally than the U.S. signing up to a multilateral structure with the disciplinary rules and disputes settlement procedures which apply to all the member states, including the United States.

So, that's why I've always thought the case against the United States and APEC basically, is not correct. And the U.S. is better in APEC and we're better off with the U.S. in APEC with the multilateral structure. Now, I hope that Prime Minister Mahathir and other people see that way over time because I think that's as it is.

Q: I wonder if the Prime Minister could answer why he cuddled the Queen and secondly, did she enjoy it?

PM: I can probably do this one cold too! Well that brought my concern for the Queen to meet her - if you like, her friends in Australia, the people she knew, her Australian subjects as some would put it - was to spirit her through a crowd. And it led with - it got me the salutation in the London tabloids, 'Hands off cobber! O-R-F. O-R-F. And they apparently believed I was some sort of lounge lizard so they christened me the Lizard of Oz. Now, I'm sure Her majesty was flattered with the attention. She has hinted that to me since. But I can't get the tabloids to publish a word of it.

ends.