



## **PRIME MINISTER**

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP,  
DOORSTOP, BORDER CONTROL FACILITY, VIENTIANE,  
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**PM:** My first comment would be to say that I have had a very warm reception here in Laos, very good meetings with the Prime Minister and the President. I think they appreciate very much the tangible manifestation of Australia's friendship with Laos in the building of this bridge which will change the commerce of this country by allowing traffic from Thailand for the first time ever. This Border Control Facility we are standing in now is set up really for the next thirty or forty years of traffic of people between these two countries. This is a matter of great significance to them and, of course, not only were jobs created here in Laos, but many Australian jobs were created in providing the materials for these particular construction projects and the design work which went with them.

Australians are very interested in the area, they are very interested in the Asia Pacific, they do want to see Australia projecting itself and engaging itself with the area. I can think of no better example of that than this - that is, a change of material substance to two nations brought about by Australia's financial assistance and technical capacity. I think this will open the way for our many major companies - in this country for instance, the likes of CRA, the gold miner Normandy Poseidon, Telstra which is our major telecommunications carrier operating here and many other companies as well, and our construction companies, of course, who have built these facilities.

So, in a sense, the civil works are a pipe opener to even greater things in commerce which we can do together and these things auger well for our relationships in this part of South East Asia.

- J: Mr Keating, did you seek or did you gain any assurance from the Lao authorities that the bridge would be able to operate efficiently and that it would start carrying traffic soon after it opens?
- PM: That assurance is completely clear. That is, there is no way that these facilities are going to be built and not in any way used to their maximum capacity. I had very good talks with the Government and with the Prime Minister and he told me that the priorities for development in this country were firstly, for human development, education, health, social security and then in areas where the country has a comparative advantage in hydro electricity, in agriculture, and in these areas he said that national policy was being focused and he mentioned most particularly protection of the environment. The Government here is very conscious of the natural heritage of Laos and they want to keep that heritage while developing the country. I was very heartened to hear this and as part of our aid program we have provided \$1 million which can be devoted to an environmental protection strategy which may assist the Government of Laos in developing the country, but doing it in a way which is harmonious with the environment.
- J: Aid has been the primary feature of Australia's relationship with Laos to date, how quickly do you think that that will be reweighted in favour of trade over time?
- PM: I think it will be reweighted first in favour of investment and then later in favour of trade. Trade between us is growing, but in absolute terms it is not great, but the investment is going to pick up quite sharply because Laos has attracted a clutch of the best of Australian companies. That is, the financially strongest, technically able and, I think, that given the prospectivity in minerals, the prospects in agriculture, the interest the Government has in developing hydro electricity, civil engineering, road and other constructions, all of these things, I think, lend themselves to Australian companies and these projects are a demonstration of what Australia can do. So, I think, there is going to be probably quite substantial investment by Australia in Laos and what will follow that will be trade.
- J: This investment message is similar to that you were putting in China last year. Are Australian companies moving quickly enough?
- PM: I think so. In China we have got nearly one thousand companies operating and here we are seeing over fifty companies already, but as I said, they happen to be some of the strongest that we have. They are not just any companies, but some of our strongest companies. When one looks at the tremendous

development possibilities here and you can start to see, particularly some of the Thai financial institutions in the city, some of the buildings which have been built on the highway out to the bridge, it is not going to take very long before you start to see this economy tick over and it will require first and foremost primary infrastructure which we are very much in the position of supplying.

J: Do you think ordinary Australians realise the extent to which Australia is now involved in South East Asia?

PM: I would like to think that Australians are both not just pleased to be involved in South East Asia for their economic long-run benefits and prosperity, but proud to be as well. That is, to be engaged with the region as we have never been engaged before because all of these things are laying the foundations for the 21st century Australia. The one that will have a much closer engagement with Asia, whose economic fortunes will be interwoven with Asia. I think all of this means, this is a pre-cursor to growth and jobs in Australia. That is, if we want long-term increments to wealth and employment, exports and trade in services are going to be part of that story and this is the place to be selling it.

J: Did you make any specific representations to the Lao Government about the need for human rights and greater democratisation?

PM: One question I did raise with them was the question of North Korea and the Laotian Government has very good relations with North Korea and I pointed out the futility of North Korean attitudes in terms of the international reaction to them and how the Government of Laos may encourage the government of North Korea in the kind of developments which we have seen here. I had an encouraging response from the Prime Minister also saying that, of course, matters have got to be resolved by co-operation, by discussion and amicably, but he did echo the concerns which I had expressed and agreed in my view that the kind of development which North Korea ought to be able to take is precisely what we are seeing here.

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