



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP AND
THE PRESIDENT OF THE REPUBLIC OF CHILE, HIS EXCELLENCY,
EDUARDO FREI RUIZ-TAGLE
KIRRIBILLI HOUSE, SYDNEY, AUSTRALIA
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PM: Well, I might just begin by saying how delighted I am to have the President in Australia and delighted that we've had a chance to have a discussion about our bilateral relationship and about the meeting we'll be attending at APEC. The President has very kindly given me an introduction into the economics, politics and societal issues in Chile and they are, in some respects - particularly with the development objectives of his country - very similar to Australia. And, I was very glad to have had that point of view put. The President said to me that he would like to see a stronger bilateral relationship and I agreed with him that Australia could well do with a beach head in South America, and Chile rather obviously picks itself on the Pacific coast. And, we agreed that we should expand that bilateral relationship and, in Chile's case, use Australia also, as an entree to the Asia-Pacific.

The President impressed upon me the value he sees in developing the bilateral relationship and getting the political relationship right. And, I certainly concur in that view. I think, certainly in this part of the world, a number of good bilateral relationships makes up a larger multilateral structure and APEC, which we're both going to this weekend, is the end product of those many bilateral relationships. So, I am delighted to have met the President, I am delighted that he has given us the honour of coming to Australia on the way to Indonesia and I will be delighted to be working with him over these next two or three days, on APEC and further strengthening our bilateral relationship.

P: For us it was a great pleasure that we were invited to come to Australia so that we may discuss these matters and discuss areas of common concern. For us, Chile is a country that for the last few years has looked for development that included the concepts of justice and equality and, for us, our presence in APEC is very important, since a great proportion of our exports - seventy five percent of our exports - go to the Asia-Pacific

region. And forty percent of our imports also come from the Asia-Pacific region so this concept of APEC is particularly important to us.

I am very glad we have discussed many of the important themes that will take place within APEC and we will have other opportunities to discuss these further. I think it is important that we have a consolidation of our bilateral communication, that should be based on a political background and further the development of these relationships between our two countries. I have mentioned to the Prime Minister that we have a number of businessmen and academics, a great number who are with us, and we will actually meet with Australian businessmen later this afternoon. I think that these sorts of exchanges are very important so that we can have a firm basis for further bilateral discussions between the two countries, with regard to investment, particularly.

PM: I think we will take some questions if you would like.

J: I would like to know what is Australia's position, at the moment, with regard to Chile's entrance to APEC, given that last year you opposed it?

PM: Yes, we did oppose it, I said to the President, not because of any judgement about Chile, but, rather, about the manageability of APEC. If APEC grows too greatly before it gets down to undertake its substantial work it may have its capacity to undertake that work, diminished. But, we took the view that we would not stand out against Chile's membership, and we didn't. And, as a consequence, Chile is in APEC and we are delighted with that and we will work with Chile and, particularly, with the President, to see that we can do as much as possible together.

J: Do you think that you could do something to improve the relationship between the two countries, particularly with regards to transport, given that there are some disadvantages to the current situation with the fluidity of exchanges between the two countries?

PM: Well, the President and I discussed this. And, I think we agreed that one of the first things that we have to get right if we want to develop this relationship further - and we do - is to get the transportation right. And, I think that means that we ought to, at the earliest opportunity, develop the appropriate protocols so that we can establish an air link between Australia and Chile. So, I think this will be one of the priorities in our relationship.

J: (inaudible question - re investment)

P: The first thing we said was that we have to create the conditions and the opportunities for these sort of investments to be able to occur. There are

certain areas that the investments could take place in, and we have specified these. At the moment the Australian investments are principally to do with mining in our country but we believe there is potential there for investment within the sector of telecommunications, the infrastructure, and including the possibility of improving the exchange of advanced technology, also.

J: (Inaudible question re APEC bettering 20-20 timetable)

PM: Well, this is one of the things I said yesterday. The Australian press internalise every advance so quickly, without seeming to understand how difficult it is to put them in place. No communiques, such as these declarations, are ever foregone conclusions, particularly going to such important matters as trade, across such a vast area of the world. So, I think the President and I would take the view that it is first things first. That is, let's get a very clear declaration from Bogor and, when we have that, work and see how that can be implemented effectively.

J: Mr Keating, what is your level of concern about Malaysia's possible dissension from the (inaudible) timetable?

PM: Well, as far as I know, just as we've had the reporting of reactions to President Soeharto's draft declaration, that there hasn't been any point of objection to it. And, why should I or anyone else go grasping at problems if they don't exist?

I think we may, perhaps, leave it at that and let me conclude by saying by how absolutely delighted I am to see the President in Australia and how much I am looking forward to working with him over the course of these next few days, and in the future on our bilateral relationship.

P: I would like to thank the Prime Minister, again, for the opportunity to discuss these matters with him and I would like to extend an invitation to him to visit Chile, when it suits him, so that we can further pursue our discussions and develop our relationship. We can also show him the reality of Chile and Latin America as we have seen the reality of Australia and we think that, also, we could be a gateway into Latin America and into developing a relationship between Australia and the Latin American continent.

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