



PRIME MINISTER

SPEECH BY THE PRIME MINISTER, THE HON P J KEATING MP

**LUNCH IN HONOUR OF SECRETARY-GENERAL OF THE CENTRAL
COMMITTEE OF THE COMMUNIST PARTY OF VIETNAM
HIS EXCELLENCY MR DO MUOI
PARLIAMENT HOUSE, CANBERRA, MONDAY 31 JULY 1995**

General-Secretary, it is a great personal as well as an official pleasure to welcome you and your party to Australia.

I remember very well our first meeting in Ho Chi Minh City last year. I greatly appreciated your courtesy to me that day in travelling a long distance from a provincial visit you were making to meet me. But this time you have come even further in support of friendly relations between Australia and Vietnam.

Our meeting in Ho Chi Minh City went well over the time our officials had scheduled, because we found in our discussion - as we have found again today - how much Australia and Vietnam have to learn from each other and how much we can do together.

You have brought with you to Australia a number of senior colleagues and business people from Vietnam.

Their presence at this lunch - and the presence of so many senior Australian businesspeople - reflects the growing recognition in both our countries of the importance of this relationship and its potential. They are also very welcome guests.

You have arrived here at an important time for Vietnam and the region.

Last Friday Vietnam became the seventh member of ASEAN. Australia welcomed this historic development.

We now have a new range of opportunities to build our relationship regionally as well as bilaterally.

Eventually, we hope Vietnam will participate in the discussions we have been holding on links between the ASEAN Free Trade Agreement and the Australia-New Zealand Closer Economic Relations arrangement.

We also welcome the normalisation of relations between Vietnam and the United States, which was announced early this month. As you know, General-Secretary, this is a development Australia has consistently encouraged over many years.

In fact, Australia's policy in the region has been guided by the conviction that the region will be stronger, its institutions more resilient and its chances for prosperity and peaceful development greater if Vietnam is fully engaged in its development.

That is also why we think that in due course Vietnam is a natural member of APEC.

Both Australia and Vietnam have been through a period of deep economic and social change in recent years.

In Australia, we have committed ourselves to an open economy, deeply integrated with Asia. Our future lies fully and unambiguously in the Asia-Pacific. For us, there can be no U-turns.

We have dismantled the tariff barrier which ring-fenced our country, opened up our financial markets and embarked on a pro-growth, low-inflation policy with the cooperation of the trade union movement.

These policies have given us rates of growth among the highest in the industrialised world.

Vietnam's program of economic reform - Doi Moi - has also involved economic restructuring on a large scale. Your successes are evident already, with growth rates of more than 8 per cent a year, and a real increase in per capita GDP of 26 per cent between 1990 and 1994.

In other words, the Vietnamese people are already experiencing the tangible benefits of this policy.

Your reform program reflects some of the qualities Australians admire most in the Vietnamese people - resilience, determination, an underlying pragmatism and willingness to change. These are qualities that Australians share.

Australia's relationship with Vietnam is not new.

The war, with all its suffering, left scars which remain in both countries, but which I believe are healing.

Australia was one of the first western countries to recognise the Socialist Republic of Vietnam more than 20 years ago.

And we were the first to resume aid after the Cambodia settlement.

We have built a relationship of substance. In 1982 our trade was \$2 million; in 1994 it was \$402 million.

Australia is the sixth largest foreign investor in Vietnam, with over \$920 million invested last year.

The companies involved are some of Australia's largest and most experienced - like BHP, Telstra and the ANZ Bank - as well as smaller innovative businesses.

Our aid program has grown too - from \$10 million in 1990/91 to \$72 million in 1995/96. We are working with Vietnam in health, education and major infrastructure projects.

We witnessed just a short time ago the signing of agreements covering our cooperation in building the huge My Thuan bridge project and Australia's commitment to draw up an integrated master plan for the economic development of the Southern Economic Focal Zone, based on Ho Chi Minh City and Vung Tau.

But the major component of our aid program is education. Currently 450 Vietnamese are training in Australia and I would like our education links to grow. Because I strongly share your view that education is the key to both our countries' future.

Our dialogue has grown and deepened with Vietnam across a wide range of issues. Ministerial and other official exchanges are multiplying rapidly.

We were very pleased that the Australian Parliamentary Consultative Delegation was able to visit Vietnam in April this year and to hold very constructive discussions throughout the country, including opening up a dialogue on human rights. This was an important visit and we were grateful for your cooperation.

I am sure that one great long-term asset in our relationship is the skilled and resourceful community of around 140,000 Vietnamese Australians. This community has enriched our country, with people like Professor Ngo Van Long of the Economics Department at the Australian National University and Thu Nguyen Hoan, the deputy head of our Office of Multicultural Affairs.

And the community will, I am sure, also enrich our bilateral relationship.

The air services agreement which was signed this morning will help this process. More than 32,000 Australians - many of them Vietnamese-Australians - travelled to Vietnam in 1994 for business or tourism or to see their families. These personal links will expand and broaden our relationship.

Australia wants more than a relationship with Vietnam: we want a partnership. One that reaches across a wide range of official business and people-to-people activities. One which grows out of a deeper understanding of each other's culture and society.

Your visit is an important milestone to this goal.

We welcome you to Australia.