



## **PRIME MINISTER**

**SPEECH BY THE PRIME MINISTER, THE HON P J KEATING, MP  
25TH ANNIVERSARY DINNER OF THE ISRAEL CHAMBER OF  
COMMERCE, SYDNEY  
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It is a very great pleasure to be here this evening to mark the 25th anniversary of the Australia Israel Chamber of Commerce.

The Chamber's achievements over that quarter century are substantial and its potential is even greater. So there are many reasons to celebrate tonight and I will come to them shortly.

But I hope you will forgive me if I begin on a more sombre and personal note.

Only a month ago I made my first visit to Israel, for the funeral of Yitzhak Rabin. They were the saddest of circumstances in which to make such a journey.

The number of leaders who had travelled to Jerusalem from around the world was testimony to Yitzhak Rabin's remarkable life. He had physical courage, of course – and not only as a soldier, but as a politician too. But it was in his moral courage that his true greatness lay. He was a man whose whole life had been devoted to the survival and security of Israel. But when it mattered, he had the imagination, flexibility and courage to see that that same cause was now served best by a policy of negotiation with the Palestinians.

The image of King Hussein of Jordan, President Mubarak of Egypt, Prime Minister Chernomyrdin of Russia and President Clinton standing together in Jerusalem, in the Mount Herzl national cemetery and speaking of their shared loss was surely one of the most moving public moments of the late twentieth century.

But, in a way, just as moving for me as that ceremony was what the funeral revealed about Israel itself and about Israelis. The quiet, determined faces of the thousands of young people lining the streets holding up peace signs, the informality and simplicity of the funeral and the memorial service – solemn but

without high pageantry or panoply – all struck a powerful chord with me as an Australian, because they were a signal of a deep sense of democracy and equality which is at the essence of both our countries.

I often think that immigrant societies, wherever they are placed, are closer to each other in tenor and tone than they are to the countries from which their populations originally sprang. I felt that strongly in Israel.

Yitzhak Rabin's assassin robbed Israel and the world of a life that mattered, and punctured the dream of Jewish people everywhere that Israel, above all other things, was a place of sanctuary.

But he did not kill that dream. I came away from my short visit convinced that the people of Israel would draw strength from the tragedy of Rabin's death. And that this was a society which would come through the ordeal it now faced stronger and more able to meet the challenges – and they are profound challenges – which lie ahead.

Because the work of peace which Rabin supported has much further to go. The interim agreement between Israel and the PLO was signed on 28 September but it now has to be implemented.

The negotiations still to come on permanent arrangements for the peace settlement will be even more difficult. Above all else they will require goodwill and generosity. And it will be very important, though immensely difficult, to narrow the differences between Israel and Syria over the next few months.

All of us hope that reaction to Yitzhak Rabin's murder will constrain extremism as these negotiations proceed, but we cannot be confident of that. People on all sides – both the malevolent and the frightened – will no doubt continue to try to derail the process.

My discussions in Jerusalem with Prime Minister Peres left me in no doubt that he, like Mr Rabin, sees no alternative for Israel or its neighbours to following the path of peace, however difficult it might appear and however careful the steps along it must be.

His objective, as he told the Knesset on 22 November, is "to arrive if possible by the end of this century at a comprehensive peace in the Middle East. To create a Middle East without violence, without bloodshed, without terrorism, without war and without the factors which lead to all of these, poverty, ignorance, backwardness and prejudice".

It is hardly credible for an Australian Prime Minister, from this distance and from the security of our continent, to offer detailed advice on these vital issues of security and peace to those who struggle with them daily and I will not try. I will

only say – as I said to Mr Peres – that Israel can continue to count on Australia's goodwill and practical support for the work of peace.

The sort of practical support we can provide is seen in our membership of two of the working groups set up under the multilateral track of the peace process. The areas we are working on – arms control and regional security, and water resources – are ones where we have some expertise to share. In April this year, for example, experts from Israel, Jordan, Egypt, the Palestinian Authority, Morocco and Oman met in Terrigal for a workshop on rainfall enhancement.

This sort of issue does not generate headlines or high drama, but it offers avenues for practical cooperation which will be vital if mutual confidence is to develop within the region.

Australia is, of course, also providing direct support for Palestinian autonomy through our three-year \$15 million aid program announced in October 1993.

And Australian defence force personnel continue to play a core role in the Sinai peacekeeping force and to participate in United Nations peacekeeping operations elsewhere in the region.

In May 1994, I said in a speech to the Zionist Federation of Australia that Australia had never wavered and would never waver from our commitment to Israel's right to exist within secure and recognised boundaries. But I added that beyond those familiar phrases, we would never waver from a deeper conviction – that the international community is a better place, a more decent place, for the contribution Israel has made and will yet make.

I hope in some small way that Australia can help it make that contribution.

Let me turn now to the reason we are celebrating tonight – the 25th anniversary of the Australia-Israel Chamber of Commerce.

Back in 1970, a sceptical journalist from the Australian Jewish News asked the founders of the Chamber whether it was anything more than an 'impressive set-up'.

Well, over the past quarter of a century you have certainly answered that question decisively. We are here tonight to celebrate your vision and achievements.

As the attendance at this dinner tonight shows, the Chamber has become a highly respected and influential organisation, with offices throughout Australia, as well as in Tel Aviv. It has a national membership of over 800 companies, and a list of Governors that reads like a who's who of corporate Australia.

It has been a catalyst for the development of a very lively business partnership between Australia and Israel. It has organised successful trade missions, promoted joint ventures and commercial partnerships in third countries and initiated academic and industrial research and development agreements.

Earlier this year it was involved in the dedication of a plaque in Israel recognising the heroism of the Australian Light Horsemen who were involved in the charge at Beersheba Wells in October 1917 as part of the advance that led to Jerusalem's liberation from occupation. Some of the remaining veterans were present. I thank the Chamber for its part in arranging this ceremony.

But I suppose the main measure of the success of a Chamber of Commerce has to be what has happened to the commerce. And here the figures are striking.

In 1970, our bilateral trade was worth \$8.5 million. In essence – as the Chamber's Executive Director, John Weiss, has pointed out – Australia sent Israel coal and wool and we got back oranges and bathing suits in return.

Now it is worth \$305 million. Coal and wool are still important, but Australian exports of elaborately transformed manufactures have also started to make inroads into the Israeli market.

There is no doubt that some strong synergies exist between the Australian and Israeli economies.

Each of us has a strong research and technology base on which we want to build. I will have some more to say about that from Australia's side when I launch the Government's innovation statement in Melbourne on Wednesday.

In information technology and telecommunications, for example, both Australia and Israel had more than 100 exhibitors at the CeBIT fair in Germany which I attended in March this year.

Israel's privatisation of its cellular and international communications services has provided an important investment opportunity for Australian companies. I am very pleased that Australian companies are now joining international giants such as Intel, Motorola, IBM, Mitsui and Microsoft in working with Israeli industry on building information technology alliances.

Neither of us is big enough to take on the giants of these industries alone, but we can probably identify some highly rewarding areas of co-operation.

Cooperation is expanding in other areas, too. The High Technology Trade Mission to Israel which the Chamber organised in September was the largest Australian business delegation ever to visit Israel. A number of joint venture

agreements involving the exchange of technology have already come out of that mission.

One of these was an agreement to grow in South Australia a new variety of olive which, as a result of Israeli technology, produces more oil than any other olive. This project is expected to generate a substantial olive oil industry in South Australia which will export from Australia throughout the Asia Pacific.

Another source of potential economic partnership must come from our similar climate and topography.

Solar energy, desalination and water management systems are critical issues for both of us and I am sure there are ways we can work more closely together.

Australia is a world leader in water management technology. The Snowy Mountains Engineering Corporation, for example, has recently conducted discussions with Israeli authorities over the Jordan Rift Valley project. And an Israeli company has successfully combined Australian waste-water technology with Israeli engineering skill to provide municipal waste water treatment throughout Israel.

As we each move to build our infrastructure to cope with growing populations from immigration, our transport, construction and service industries also have great potential to work together.

The new terminal planned for Ben Gurion International Airport has attracted the interest of Australian companies, as, I am sure, will the planned Cross-Israel Highway project. Australian firms are being added to the lists of approved vendors to the Israeli Electric Corporation.

Another real area of potential growth in trade and investment lies in the way we can each use the other country as a base for regional operations.

Israel's free trade agreements with the United States and the European Union are an incentive for Australian companies. IPEX, for example, has chosen Israel as its European headquarters for their software business and is among the fastest growing computer companies in Israel.

But, for the first time, it is also possible to imagine Israel as a potential base for trade into the Middle East. We are not at that point yet but the signs are all pointing in its direction. Over time, I am sure that will happen because it serves the interests of both Israel and its neighbours.

The signature of the Israel-Jordan trade agreement in October this year and the convening of the Amman Summit, in which Israel participated with Arab countries, are promising steps.

In Australia, the first joint tourist promotion program involving Israel, Egypt, Jordan and Turkey, is scheduled for early 1996, and is a very welcome sign of things to come.

In the other direction, some Israeli companies have already sensed the potential for operating out of Australia into Asia and the Pacific. I know the Chamber has been active in spreading that message in Israel.

For example, a leading telecommunications company, Teledata, has set up a successful manufacturing facility in Brisbane which supplies the Australian domestic market but also exports to Papua New Guinea, the Philippines and Indonesia.

This brings me to a point I want to put firmly on the record.

I am sometimes accused of paying too much attention to Australia's relations with Asia – at the expense of Australian economic interests elsewhere. This is a view you will sometimes hear from my political opponents and from the stodgier sort of newspaper columnists.

It is not true, of course. But I want to make clear just what I do think – because it is very important to all of us who live in this country and who care about its future.

I am convinced of this – that unless this country gets our relationship – including our economic relationship – with Asia right, we will not succeed elsewhere.

This does not mean that we could not keep other bilateral trade links open. Nor is it to deny that some of them might prosper.

But, over the long run, this fact seems undeniable to me: the degree of Australia's integration into the region around us and the experience our business people gain in matching it with the most dynamic economies in the world will determine, more than anything else, how relevant we are to other global markets, and how successful and competitive we are in them.

So my view is simple: our business people should be looking to do business wherever there is a profit to be made and a mutual interest to be served. But we will only maximise those opportunities with Israel, for example, or Europe, when we have shown that we are fully engaged in our own region.

That is why APEC is important to all Australian business people, even those whose primary interests lie in other parts of the world.

It is why the outcome of the Osaka leaders' meeting with its agreement on a plan of action to implement the commitments we made at Bogor for free trade

in the region by 2010 for industrialised countries and 2020 for developing countries was such an important development for Australia, but also for others who want to do business here and in the region.

The Osaka meeting firmly cemented APEC in place as the key regional body for co-ordinating the development and growth of the Asia Pacific into the next century.

We estimate that the full results of the Bogor commitments will expand the regional economy by about the size of the present Australian and Korean economies combined, and that Australia's real income will rise by \$40 billion when all the effects have flowed through.

If the Bogor commitments are fully implemented, by 2020 APEC will account for more than three quarters of global production and three quarters of the world's trade.

The effort we have put into setting up APEC and elevating its decision making to the level of leaders has been directed to these very important aims – to getting Australia a seat at the world's largest free trade table, and, by keeping the region's development and growth going, better ensuring its security as well.

That is good for all Australians and for those who do business here and in the region.

That is also why we have been working on the development of links between the Australia New Zealand Closer Economic Relations agreement and the ASEAN Free Trade Area.

We recently held the first successful meeting between CER and ASEAN trade ministers. We agreed to complete a series of practical collaborative projects which will address issues of real concern to business people. And these projects and these developing linkages with Southeast Asia will complement and reinforce what the Government is working to achieve with APEC.

Anyone who suggests to you that we should be wary about over-emphasising economic links with the Asia Pacific does not understand, in my view, just what the causes of global success for Australian traders will be in the decades ahead.

Let me end this speech, not with congratulations– you already have them – but with a challenge.

Because although trade between Australia and Israel has been growing well, it still falls short of its potential. If it is to reach that potential a sustained effort will be needed. This will involve Governments, of course. I know this is a high priority of Ambassador Moyal. And his enthusiasm will be matched on our side.

But mainly it will involve the private sectors of our two countries. I can't think of a more effective organisation than this one to identify new areas for trade and investment and to put together the people and companies who will be needed to take the trade relationship between us onto a new level.

I wish the Australia Israel Chamber of Commerce every success over the next twenty-five years.

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