

29 April 1997

**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD AND HIS EXCELLENCY
MR RYUTARO HASHIMOTO
JOINT PRESS CONFERENCE
PARLIAMENT HOUSE - CANBERRA**

E&OE.....

HOWARD:

The Prime Minister of Japan, Mr Ryutaro Hashimoto and myself have over the last few hours conducted very warm and friendly and useful discussions and they will continue informally over lunch. Could I say on a personal note how delighted I am to have Mr Hashimoto and his wife as guests here in Australia. The very deep association between Australia and Japan has been reinforced by the ease of the personal and professional relationship that I have developed with the Prime Minister of Japan both during my visit to Japan last year, our meeting at the APEC summit in Manila and again over the last day or so. And personally I welcome you very warmly to Australia and I hope that you and your wife can come again as very welcome and very honoured guests of our country. I accept very readily the suggestion of the Prime Minister that the Prime Ministers of Australia and Japan should meet on an annual basis. It is the hope of my wife and I that we can visit Japan next year and I thank the Prime Minister very warmly for that invitation.

I agree with the Prime Minister's suggestion that the next joint ministerial council meeting should be in Tokyo on the first of August. It should also be noted that the Australian Defence Minister, Mr Ian McLachlan will visit Japan shortly. Increasingly both the Japanese Prime Minister and I see the defence relationship as becoming part of the bilateral association. We spent some time talking about domestic economic reform. I also expressed the gratitude of the Australian government for the Prime Minister's positive response to my representations last year regarding the timing of rice tenders - an extra tendering process for 7000 tonnes of rice allows Australia to offer new season rice. It's a good step forward and we hope it is the harbinger of further progress on that front. And on the question of access we look forward hopefully to a satisfactory conclusion of our desire for access for Australian Fuji apples. The Prime Minister informs me that there is one further public hearing in Japan to take place on the second of May and if that is satisfactorily processed then access can be secured.

I thank the Prime Minister very warmly for the support that Japan has privately and publicly given to Australia's aspiration to be included in the ASEM group of countries. Japan's support on this front has been open and consistent and it is deeply appreciated by the Australian government. Both of us agreed that the APEC association should remain the primary, the dominant expression of our shared destiny as partners in the Asia-Pacific region, and that although other associations and contacts could be valuable and were understandable the overarching importance of APEC remained. The particular value that institution provided in bringing together the leaders of such large and powerful nations as the United States, Japan and China was particularly noted.

And finally I emphasised to the Prime Minister the deep concern Australia has about the impact both on Australia and Japan of the likely agreement between the United States and the European Union regarding emission targets. This is a situation where, atypically, Australia as a developed net exporter of energy is particularly vulnerable if a consensus emerges around targets which would be quite unacceptable to Australia. We believe that those targets would also have damaging impacts on Japan. We seek, as we believe the Japanese government seeks, a fair and feasible outcome but what is likely to be the American - European position at present certainly does not represent that and would be particularly damaging to Australia's national interests and our position is very clear and strong on that. I welcome the opportunity of raising those concerns with Mr Hashimoto and it is something over which the Australian and Japanese governments will retain a close dialogue between now and the summit meeting to take place in Japan in December.

HASHIMOTO:

Thank you very much. I must say that I am very gratified by the very warm welcome extended to me since my arrival yesterday by Prime Minister Howard, the government of Australia and many people here. I come to Australia to strengthen the political relationship between Japan and Australia taking into full consideration Japan's Asia-Pacific policy and today I exchanged views with Prime Minister Howard on bilateral relations between the two countries. This is related to the Asia Pacific region and other international issues and I also described to him the results of my visit to the United States and to also outline the reforms that my Cabinet is currently undertaking. I also expressed to Prime Minister Howard my wish to invite him and this time together with Mrs Howard to Japan as soon as an appropriate opportunity arises.

Furthermore as Prime Minister Howard already stated in his opening remarks, I also had the consent of Prime Minister Howard on my proposal to have a once a year meeting of the Prime Ministers as a guiding principle and also to hold the Japan-Australia ministerial meeting on the first of August this year. I also have a matter to report to you and that is during today's meeting I also received the full support by Prime Minister Howard for the Aichi Expo which indeed is going to be a great souvenir for me so I'd like to take this opportunity to express my heartfelt gratitude.

Concerning the security issues facing the Asia-Pacific region we share the recognition that the presence of the United States in this region is the most important factor for stability in the region and we reaffirmed the importance of support from both Japan

and Australia for the continued presence of the United States in this region. And we share the view that Japan and Australia should further promote cooperation on regional security through a senior level of political military consultations and I might also add we are very pleased to hear that the defence minister of Australia will be visiting Japan soon.

Concerning Australia's participation in ASEM, certainly it goes without saying that I express Japan's continuous support for the new membership of Australia and when I say this certainly it is with the assumption of course Australia will participate as an Asian member.

I also explained that Japan highly appreciates Australia's contribution to the Korean peninsula Energy Development Organisation. In order to maintain the prosperity of the Asia-Pacific region Prime Minister Howard and I recognise the importance of maintaining and strengthening the free trading system and achieving the liberalisation and facilitation of trade and investment. We agreed to further promote cooperation between Japan and Australia in APEC and the WTO and furthermore we have re-affirmed our efforts to realise the accession of China to the WTO and to further incorporate China into the world community as a constructive member of it.

As a concrete result of such cooperation between Japan and Australia we need to formulate a Japan-Australia partnership agenda for the occasion of the 14th Japan Australian ministerial committee meeting to be held on the first of August. Today we also confirmed our cooperation in 18 areas, including education, culture, the environment and many other fields, as well as in the political and economic spheres and these 18 areas cover seven areas in terms of bilateral cooperation and 11 areas or items in the area of cooperation on inter-regional and global issues. I'm convinced that by promoting such cooperation in these areas we shall be able to achieve a far deeper friendship between our countries than today.

HOWARD:

Now could we have a question from the Australian gallery. Mr Bongiorno?

JRNLS:

The question is to Prime Minister Hashimoto. What is your belief in terms of the meeting in Kyoto at the end of the year. Do you believe that Europe and America would push for trade sanctions if mandatory targets are not agreed to in a voluntary way?

HASHIMOTO:

I have no intention of making the Kyoto conference a forum for confrontation. The current issue with regard to the convention on climate change is the substance or what to do about the substance of the protocol to be adopted at the third conference, the so called COP3 in Kyoto. In this regard we believe that at least with regard to the targets for control and reduction of greenhouse gases that these targets be effective in terms of preventing global warming and that also obligations to be imposed be fair and feasible

and in this respect I can understand the position of Australia which seeks to negotiate differentiated of targets. In order to achieve these targets we, the two countries included as well as many other countries, will have to work very hard and actively on those measures and especially as the Chair of the conference, I believe it our responsibility to make sure that the conference will not turn into the sort of situation that you mentioned just now by co-operating with the countries concerned.

JRNLS:

Because of the planned reduction of tariffs on automobile imports into Australia, Japanese manufacturers, who produce in Australia, say that they will be hard hit. I wonder what views you have, Prime Minister Hashimoto, on this?

HASHIMOTO:

Well as I was reading the press reports this morning, I noticed an article that said I will be raising this issue with Prime Minister Howard so I complied with the expectations of the press and raised it. What I told Prime Minister Howard is the following. Essentially this matter is a domestic affair of Australia. Now trade liberalisation is a matter, a common objective for all our countries under the WTO and APEC and something that we all must pursue actively. Japan's auto investment into Australia has been creating a lot of jobs and also has served as, should I say, lynchpin of the ties between Japan and Australia. So what I told Prime Minister Howard in conclusion on this matter was John, I trust you and I am sure that you will take into consideration these aspects as well and arrive at balanced conclusions. I do believe that Prime Minister Howard is a very trustworthy person.

HOWARD:

Don Greenlees.

JRNLS:

A question on security. There's been some suggestion by security analysts in Australia that we should try to upgrade the security relationship, perhaps along the lines of having the Foreign Ministers and Defence Ministers of both countries meet annually as you do with the United States. Do you, do both Prime Ministers see some merit in going down that route at some point in the future?

HOWARD:

For my part Mr Greenlees, I see merit in allowing the relationship in that area to evolve. I don't think we should dramatically accelerate it. Now, however should we have any kind of blind spot about it either and what we are doing, Ian McLachlan is going to Japan. As I said in my opening remarks increasingly I would see the defence dialogue becoming part of the bilateral association. I think it's something that should be allowed to move forward but not dramatically accelerated and I think that is something that both countries will feel very right about and very comfortable about.

HASHIMOTO:

We mutually have expressed our appreciation for the Japan/Us Joint Security Declaration of April 1996 and the Australian/United States Joint Declaration of July 1996 as major steps towards ensuring regional security. Our two countries have been conducting political military consultations since February 1996 and soon the Defence Minister for Australia will be visiting Japan and as Prime Minister Howard said, I also believe that we should try and build on these steps that we have been implementing and rather than run ahead with new enterprises or new exercises, I should rather like to make efforts to build up a firm relationship of trust by proceeding step by step.

JRNLS:

I'd like to first ask a question of the two Prime Ministers with regard to defence co-operation between the two countries. What are the specific themes or subjects that you'd be taking up and in connection with that I'd like to first ask a question of Prime Minister Hashimoto. There's an agreement between the Australia and the US, a declaration that training for US and Marine Corps in Australia, opportunities for such training will be expanded. I wonder if this would lead to a reduced burden on Okinawa in terms of the marine training there?

HASHIMOTO:

Let me say that in the Australia/United States joint declaration, I am also aware that Australia may offer additional locations for the United States to conduct exercises. However my understanding is that this offer will not lead to any reduced US presence in other areas of the Asia Pacific. Japan and Australia certainly have been and should continue to promote confidence building measures through the ASEAN Regional Forum and also through other regional dialogues in order to further improve the security environment in the Asia Pacific region. The two countries do share the same approach vis a vis regional security and our two countries, in sharing that common position, naturally should build up a natural co-operation in such areas. As a matter of reality there may be some aspects of training or themes of training in which Australia can provide a better environment and other themes or aspects where Japan is more suited as the most suitable environment. So in accordance with such practicality training may shift from place to place but that does not mean in any way that Japan's sharing the burden will be reduced.

PRIME MINISTER:

For my part, I adopt the words that Mr Hashimoto used in relation to the defence dialogue, that it would be wise at this stage to proceed step by step and there is little point in beginning any kind of particular speculation about what form the association would take. Can I also say that my view regarding any potential link between Okinawa and the training arrangements provided for in the American/Australian joint declaration is precisely the same as that of Mr Hashimoto's.

Thank you.