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FM CANBERRA 0300410Z JUL 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 608 OF 3 JULY

INFO IMMEDIATE JAKARTA, NEW DELHI, ROUTINE WASHINGTON, UKREP

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POST-SUMMIT BRIEFING: SIR C TICKELL'S CALL ON THE AUSTRALIAN PRIME MINISTER

1. ON 2 JULY I TOOK SIR C TICKELL TO CALL ON MR HAWKE. THE TREASURER, MR KEATING, WAS ALSO PRESENT. MR HAWKE GAVE TICKELL AN HOUR OF HIS TIME. THE PRIME MINISTER WAS IN HIS BEST FORM: SERIOUS, WELL-INFORMED, NOT SEEKING TO MAKE POLITICAL CAPITAL. IT WAS ALTOGETHER AN IMPRESSIVE PERFORMANCE.
2. TICKELL HAVING HANDED OVER THE PRIME MINISTER'S LETTER, SUMMARISED THE PROCEEDINGS AND BACKGROUND OF THE ECONOMIC SUMMIT AND, AT MR HAWKE'S REQUEST, SPOKE SUBSEQUENTLY ABOUT THE EC COUNCIL AT FONTAINEBLEAU. MR HAWKE MADE LARGELY STANDARD BUT HELPFUL COMMENTS. THESE COVERED TRADE, DEBT, EAST-WEST RELATIONS, ETC. HE EXPRESSED THE HOPE THAT OUR AMBITIONS FOR THE FUTURE OF COMMUNITY FINANCES AND THE CAP WOULD BE REALISED, BECAUSE THEY WERE OF CONCERN TO AUSTRALIA AS MUCH AS TO THE REST OF US. HE REMARKED THAT TRADE DEALINGS BETWEEN MEMBERS OF THE SUMMIT SOMETIMES DAMAGED THIRD PARTIES, HOWEVER PIOUS MIGHT BE THE ASPIRATIONS EXPRESSED. HE HAD IN MIND THE DISADVANTAGES WHICH AUSTRALIA HAS RECENTLY SUFFERED FROM BEEF EXPORT DEALS BETWEEN JAPAN AND THE UNITED STATES.
3. MORE SPECIFICALLY, IN REPLY TO POINTS MADE BY TICKELL, MR HAWKE EXPRESSED HIS GOVERNMENT'S FULL SUPPORT FOR THE ANTI-TERRORIST IDEAS WHICH WE HAVE CONFIDED TO THEM. HE SPOKE EQUALLY POSITIVELY ABOUT COCOM AND SAID THAT AUSTRALIA WOULD CONSIDER THE POSSIBILITY OF MEMBERSHIP. ON AUSTRALIAN MEMBERSHIP OF THE SUMMIT, MR HAWKE MADE THE THREE USUAL POINTS: FIRST, THAT AUSTRALIA ON QUOTE ECONOMIC AGGREGATES UNQUOTE WAS NEXT IN LINE TO JOIN; SECOND, THAT AUSTRALIA OF ALL ASPIRANT NATIONS WOULD FIT IN THE FAMILY BEST; AND, THIRD THAT AUSTRALIA'S GEOGRAPHIC POSITION WOULD PROVIDE NEEDED BALANCE IN THE SUMMIT COMPOSITION. HE SAID THAT AUSTRALIA WOULD PURSUE THE QUESTION OF MEMBERSHIP FIRMLY BUT, AS IN THE PAST, NOT STRIDENTLY.
4. MR KEATING ASKED TICKELL ABOUT MULTI-ANNUAL DEBT RESCHEDULING (AS INDEED HAD OFFICIALS EARLIER IN THE DAY). HE ACCEPTED TICKELL'S EXPLANATION OF WHAT LAY BEHIND THIS PHRASE WITH SOME RELIEF. HE AND MR HAWKE BOTH AGREED WITH TICKELL'S EXPOSITION OF UNITED STATES' INTENTIONS AND PROSPECTS IN THE DEFICIT AND INTEREST RATE FIELDS.

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5. THIS WAS MR HAWKE AT HIS MOST CONSTRUCTIVE. TICKELL'S INTERVIEW WITH HIM WILL HAVE MUCH BENEFITTED ANGLO-AUSTRALIAN RELATIONS, AND I AM GRATEFUL TO TICKELL FOR THE SKILL WITH WHICH HE CONDUCTED IT, AS INDEED HIS OTHER CONVERSATIONS DURING HIS SHORT STAY IN CANBERRA.

MASON

(PALACE)
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