

CANADA AND AUSTRALIA

COMMON INTERESTS AND VALUES: SIMILAR PROBLEMS AND OPPORTUNITIES

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## INTRODUCTION

May I begin by expressing my pleasure at the honour you have done me in asking me to speak to you today, and take this opportunity of paying tribute to the efforts of the AIIA in promoting interest in foreign relations with other countries.

I shall speak to you today on a serious but not gloomy subject, "Australia and Canada: Common Interests and Values: Similar Problems and Opportunities".

My theme is a simple one: namely that no two countries have in common more interests of a fundamental nature than Australia and Canada; that we may be entering a period during which we may be facing strong economic pressures which could have the effect of dividing us or even playing us off one against the other; that our good relations and common interests can help us greatly in coping with the problems of the 80s, but may not of themselves suffice; and that our two countries should therefore consciously pursue policies of active cooperation and collaboration in a variety of fields, not merely to prevent divisions but because together we represent a much more influential force than either of us does alone. I suggest that it is not only in our mutual interest to cooperate, but we may be approaching a time when it is essential that we do so.

## GEOGRAPHY: SIZE, LOCATION, CLIMATE AND ENVIRONMENT

### DISTANCE:

A glance at the map indicates the obvious fact of life of the great distances which separate our two countries. Travel between Canada and Australia is a major undertaking, compared for example,

to travel between Canada and the USA or Canada and Europe, or between Australia and its Asian/Pacific neighbours. There is probably no comparison in terms of travel time, not to mention the fatigue and jet-lag entailed. I speak from personal experience because I have had to travel between Australia and North America on many occasions during my brief period here as a consequence of my duties as Leader of Canada's delegation to the Law of the Sea Conference. We don't and can't drop in on each other on a casual basis, as friends normally do.

Since we cannot wish away the immense physical distances which separate us geographically, we must overcome them in other ways. If we wish to consult and collaborate, we must travel in both directions over longer periods of time, at some cost both personally and financially. This, I may say, is exactly what occurs, and there is a continuous stream of official and semi-official visitors in both directions. Indeed our first important official visitor from Canada after my arrival was our Minister of Transport who came to consult with his Australian colleagues on mutual transportation problems facing our two countries.

The problem of communications over great distances is rather less critical. Nevertheless, in spite of modern telecommunications no one would suggest that the two-way flow of information between us is comparable to that, for example, between neighbouring countries in Europe or North America. Unfortunately, neither of us knows enough about the other and much of what we learn we tend to obtain from third sources: New York, or Washington or London. An information flow must be fostered and encouraged if we are to understand one another's problems and enhance our capacity to work together.

## SIZE AND POPULATION

The sheer size of our two countries also makes it difficult for us to get to know even ourselves well, let alone each other. Canada is a country comprising almost 10 million square kilometers, and Australia comprises 7.7 million square kilometers. The problem also exists for people like me and my opposite number in Ottawa. How can your High Commissioner get to know a country the size of Canada? How can I get to know Australia? A good deal of travel is required if we are to avoid the assumption that to know a capital and a few major cities is to know the country. Last summer I drove my family to the Gold Coast here in Queensland for a holiday. It took us 20 hours each way. That's rather more than a Sunday drive to the seashore.

Other cards of the same suit have been dealt to us by nature. Vast areas of our respective countries are inhospitable, difficult to settle and expensive to develop. Thus, despite an image in some over-crowded countries of our countries as large, rich and under-populated, our populations are in fact concentrated in relatively small areas. Most of Canada's population resides close to the border with the USA, whereas Australia's population is concentrated in metropolitan centres along the eastern and southern coastal areas. It is obvious that the sand of the Australian outback and the snow of the Canadian tundra have more in common than meets the eye. Anyone like myself who has had his car stuck in both sand and snow can attest to that.

The relatively small populations of our two countries present many kinds of special problems. To name only one, there are inherent difficulties facing certain manufacturing industries requiring mass production, since our respective populations are

not large enough to provide the size of market required. When we impose the heavy internal transportation and communications costs dictated by the vast scale of our two countries upon our relatively small populations, any increase on cost per person can be important.

#### COASTAL STATES

Another very important fact of life geographically is that we are each coastal states fronting on three oceans, the Atlantic, the Arctic and the Pacific in the case of Canada, the Indian, the Antarctic and the Pacific in the case of Australia. Just as our vast open spaces influence us psychologically more than we may know, our oceans influence our respective lifestyles and even our national policies to a greater degree than may be generally realized. These factors cause us to react in similar ways in the protection of our national interests, which coincide on so many questions, e.g. Canada's 200 mile fishing limit - January 1, 1977 - Australia November 1, 1979 - LOS and Continental Shelf Limit.

#### COMMUNICATION AND TRANSPORTATION

We have a mutual interest in working together to solve the complex transportation and communications problems facing our two countries. An excellent example of the potential for joint cooperation in communications can be found in the field of satellite communications. The Australian Minister for Posts and Telecommunications, together with senior officials and technical experts visited Canada earlier this year to assess the Canadian experience in satellite communications in light of consideration being given in Australia

to the establishment of a similar system here. This was followed by a highly successful series of demonstrations and a technical "workshop" held in Canberra in August to explore the question further and to help make the Australian public aware of the considerations involved. We in Canada are excited about the prospects for closer cooperation with Australia in this field which is so closely linked to our similar experiences.

Another practical example of cooperation on transport problems has been the interest shown by Airlines of NSW in purchasing from Canada four DASH-7 aircraft, a 50-passenger of the 80's with more space, quieter engines and much shorter take-off and landing requirements than any of its competitors. On the Australian side, in the field of air transport, the most recent major Australian development is Interscan, a superb instrument landing system which has received the wholehearted endorsement of the International Civil Aviation Organization and will hopefully soon become a key addition to airport electronics around the world, including Canada.

#### HISTORICAL AND CULTURAL

We value the same historical and cultural links that attach us to Europe and the Commonwealth. We are both countries of immigration and, like Australia, many of our earlier settlers, apart from those in the predominantly French-speaking province of Quebec, were British in origin. These were followed in later generations by others representing virtually every nationality of the world.

Perhaps the strongest cultural link between our two countries is the sharing of a common language, albeit with a somewhat different accent, coupled with many of the traditions that are part and parcel of our British heritage. Canada, of course, is also a bilingual country and a vigorous French culture flourishes in many parts of Canada. We share also, however, the need to resolve native land claims in an equitable manner, and to ensure that the descendants of the original inhabitants of our two countries and the varieties of ethnic groups comprising our respective populations are able to identify with the community as a whole, comprising the Australian and Canadian nation-states. Even on such seemingly unique socio-economic issues as these, we have found it mutually beneficial to consult and to learn from each other, from our respective mistakes as well as our respective achievements. For example, the Canadian judge who headed the Royal Commission established to consider Canada's native land claims recently visited Australia to exchange views with government ministers, officials and academics.

Our many common attributes provide a solid basis for fruitful academic exchanges and it is normal for there to be up to twenty Canadian academics and scientists engaged in short-term research projects in Australia at any given time. The common themes in our literature of contemporary city life with a strong component also of small country town society, our hinterland and native peoples, has led to the establishment of the annual Australia-Canada Literary Award. This is complemented in the journalism field by the Canadian Award for Journalistic Merit under which the Australian journalist who has done the most to

increase awareness and understanding of relations between the countries of the Pacific Ocean is selected for a working cross-country tour of Canada.

These are the kind of links which provide a very strong bond between us. But they should not on that account be taken for granted, in my view, but rather should be regarded as a solid basis on which to build an increasing community of interests.

#### CONSTITUTIONAL AND POLITICAL

Our political systems are built upon the same Westminster model of parliamentary democracy that in the modern world seems to be the exception rather than the norm. Australians and Canadians take pride in the preservation and continuance of their political traditions which are dedicated to freedom and human dignity. We are each federal states, a system which brings with it its own complex and unique problems. Moreover, we have surprisingly similar legal systems, going well beyond their common origin in common law. In addition, the Queen of Australia is also the Queen of Canada. Few outside the Commonwealth understand this relationship clearly, but Australians and Canadians never have to explain such things to each other.

These considerations are not merely abstract legal concepts of relevance only to academics. They have many direct effects upon the societies in which we live and, thus, upon the nature of our relations with each other and in the approaches we take to many common problems. While the distribution of powers between our respective central and federal units for example is different in many respects, it is surprising how similar the



situations are which we must confront. Thus, while the man-in-the-street in either country may not relate to his opposite number on a regular basis, our respective cabinet ministers, officials and academics are actively engaged in a continuing process of dialogue and consultation which is mutually beneficial to both countries, whether the problems be those of government administration, trade, native peoples rights, environmental controls, energy shortages, transportation or social issues.

Each country benefits greatly from the regular exchanges of parliamentarians as well as government ministers and officials from your states and our provinces as well as the federal level. Indeed, the Premier of Saskatchewan visited Australia just last week to consult with Australian colleagues in approaches to agricultural and mineral questions. The Premier of Manitoba is due in Australia next month.

There is, moreover, while it may not be widely known, a continuing process of secondment by each of our governments to various government departments in the other country. This kind of exchange symbolizes better, perhaps, than any other example, the similarity of our systems of law and government and the closeness of our relations.

#### TRADE AND ECONOMICS

If there is a single and vital area of national interest for our two countries, where we are in the same boat and must paddle together to avoid floundering, it is in the field of trade and economics. The fundamental structural bases of our respective

economies are so similar that we must compete or cooperate. Both nations are grappling with the twin problems of the 70's - inflation and unemployment. Both countries are greatly dependent on export earnings from agricultural, primary and mineral products. Both countries face high internal transportation costs. Both countries have had to absorb the consequences of the cessation of curtailment of Commonwealth preferences. Both countries face extremely tough competition in the export of their manufactured products - not only from more highly developed countries, but from rapidly industrializing countries with a highly developed capacity in certain fields of secondary manufacture. Both countries have accepted, and indeed invited, massive foreign investment in their natural resources, with all the advantages and disadvantages thereby entailed. Neither country is an economic giant, and neither belongs to any of the great economic or trading groupings, belonging neither to the European Economic Community which looks to us as a source of raw materials, nor to the Group of 77 which claims various forms of protection for developing countries. Yet both nations are, like it or not, as much developing countries as developed.

If the foregoing catalogue of economic similarities sounds like a list of common problems, the other side of the coin is the opportunities we share, particularly if we cooperate in achieving our common objectives.

Both countries are immensely rich in natural resources, not only in minerals, but in energy sources, both developed and potential. Both countries adhere to high environmental standards

thereby lessening the possibility of competing at the expense of the environment, a particularly important consideration, for example, with respect to uranium mining. Both countries can have important influence in the world markets for primary products. Only through conscious policies of active cooperation, however, can we have an influence such that the whole will be greater than the sum of its parts. This is already proving true, for example, on such issues as nickel and wheat.

As major exporters of wheat and other grains both countries are working to increase production and to improve transportation and grain handling facilities. Together with the USA and Argentina, the other two major grain exporters, we have sought to increase mutual cooperation in order to produce better returns for our producers as well as increased security of food supply. The alternative to cooperation would be competition for markets by price cutting or long term sales on "easy" credit. This type of competition would be detrimental to the interests of all four countries and it would soon lead to a decline of our respective grain industries.

#### BILATERAL TRADE

There are some important bread and butter advantages for us both in bilateral trade which tend to be hidden from public sight in statistical returns. Last year (calendar 1978) our two way trade was worth about A\$600 million, and approximately in balance. The major components of Australian exports to Canada,

were based on extractive or primary industries (sugar, alumina, beef, nickel, canned and dried fruits). Our major exports to you included wood products (timber, newsprint and wood pulp), automotive parts, household goods and office machines and equipment.

An outstanding feature of the trade between Canada and Australia has been the high content of fabricated material and end products. This trend has been greatly welcomed by the Canadian government.

I should like to make a special note of the significant role that Queensland plays in our bilateral trade. Queensland is Canada's largest supplier of raw sugar as well as a major supplier of beef and bauxite. In addition, Canadian companies including Alcan, Noranda, INCO and Castle Tin Mines of Toronto are active in mining and metal industries in your States.

#### MULTILATERAL ECONOMIC QUESTIONS

The important role played in our national development by our mineral and agricultural resources has been accompanied by several special hazards. The internal distances within our own countries and resulting high transport costs are mirrored externally by the distances which separate us from two of our largest markets, Japan and Europe. We have both established enviable records as reliable suppliers and have cooperated in a great variety of international fora in efforts to ensure our producers a fair and reasonable

return, at prices high enough to continue to attract the investment required to keep our industries efficient and competitive on an international scale.

Not surprisingly, we often share the same objectives of bargaining guarantees of supply against guarantees of access to markets, including access for semi-processed and processed goods. This is often not a matter of concerting market strategies on a government-to-government basis, but of ensuring a balanced commercial framework with some assurance of stability. The looming gap between the energy needs of the industrialized countries of the world and the supply of conventional fuels also finds Australia and Canada in broadly similar positions. Despite our own plentiful energy reserves, it is only of limited relief in an independent world economy. As the economies of our major trading partners suffer, so do our exports and if the energy crisis causes a recession in such countries we will feel some of the effects.

Our respective roles as major sources of supply for the world's uranium needs are especially important in view of the fundamental questions of international peace and security arising out of the need to ensure against nuclear proliferation. Based on my experience as Canadian Governor on the Board of Governors of the International Atomic Energy Agency in Vienna, I can attest to the close cooperation between our two countries in pursuing shared non-proliferation goals. Our respective Prime Ministers reflected this concern by their personal participation in the United Nations Special Session on Disarmament last year and the emphasis they placed on the relationship between problems of vertical nuclear proliferation

by the superpowers and the growing feeling of dissatisfaction by the developing countries concerning the implication of the commitment in the Non-Proliferation Treaty on the transfer of nuclear technology to them. The major effort in INFCE may resolve some critically important issues, but much will remain to be done.

#### FOREIGN POLICY ISSUES

As events in Iran have tended to show, exclusive focus on economic forces and neglect of the political and social base can result in major unexpected disruptions of long-term calculations. I should like therefore to touch briefly on problems of other than economic origin in order to round out, if not complete, the picture.

For many years, the foreign policies of our two countries have converged increasingly, whether we are referring to war or peace issues in the Middle East, Vietnam or Africa, or to longer-term issues touching on world peace and stability such as the non-proliferation of nuclear weapons, the banning of orbiting of dangerous objects in space and the development of a new world order of the oceans.

Neither country was responsible for recurring threats to and breaches of the peace in Vietnam, yet both have become involved in the subsequent problems. Since those days, we have acted in parallel fashion in the U.N. to cope with the problem of Sino-Vietnamese hostilities. Both countries have responded to appeals to accept large numbers of Vietnamese refugees and are cooperating closely in attempts to deal with that difficult humanitarian problem.

Over the past few years both of our two countries have moved to strengthen our increasing involvement in the Asian/Pacific

region. The importance of our deepening relationships with Japan and, more recently, with China, has become a high priority for both governments. Australia has a unique vantage point to view and take part in developments in the Pacific region and we in Canada value greatly the opportunity to compare notes with you on ways to foster regional cooperation among ASEAN countries as well as various possibilities open to us on ways to expand our relations with Asian-Pacific countries in general.

Another increasing priority for both countries has been what are known as North-South issues. Most of these are economic issues which we approach with the increased understanding obtained from often having a foot in both camps ourselves. As middle powers we can contribute towards creating the atmosphere and conditions necessary for the settlement of international disputes. Your Prime Minister for example was the first head of government of a developed country who expressed support for the Common Fund being demanded by developing countries for the purpose of establishing buffer stocks to absorb and prevent the fluctuation of international prices in commodities.

The recent meeting of Commonwealth Heads of Government at Lusaka provided an excellent example of how our two countries, together with other members of the Commonwealth, were able to work together to hammer out a compromise on the complex Rhodesian situation. Prime Minister Fraser took the initiative at that meeting which was instrumental in leading to the Zimbabwe constitutional talks now going on in London. Our Prime Minister, Mr. Clark, welcomed this development as a constructive input in the search for an equitable

solution to the problems of the region. The institution of the Commonwealth itself has a well deserved reputation for addressing issues in a collegial and friendly fashion even if differences remain stong on many issues. Failure to have reached a compromise at Lusaka could have placed the future of the Commonwealth in jeopardy which made the joint efforts of our two prime ministers all the more important.

The similarity in our foreign policies also flows from our common commitment to the principles and purposes of the Charter of the United Nations. To take only one area of activity within the U.N., namely the development of international law, I do not know of two countries which have cooperated more actively over the years than Canada and Australia in developing the rule of law as the basis for international relations. Some years ago at the Law of Treaties conference in Vienna, in which I participated, Australia was one of Canada's strongest supporters in ensuring that the fundamental International Law of Treaties did not permit other countries to make their own interpretations of the constitutions of federal states with respect to the right of their federal units (states in the case of Australia) to conclude treaties with foreign countries.

Another field of international law making in which I have participated personally is the Law of Outer Space. You might ask how important or how relevant that seemingly esoteric subject is to private individuals in either country. I have no doubts on that score, however. During the negotiating of the Outer Space Liability Convention our two countries argued strongly for a "victim oriented treaty" on the assumption that countries such as Canada and Australia



were more likely to be damaged by space accidents caused by other states than to be the causes of such damage. Indeed, long after the negotiation of the Outer Space Treaties in question, our two countries have become the most celebrated "victims" to date of space accidents - first when the nuclear-powered Soviet-Cosmos satellite crash-landed in Northern Canada in January 1978, and subsequently, last July, when Skylab landed here in Australia.

Australia and Canada have also cooperated actively as staunch allies in pursuing a series of specific and concrete common objectives in the United Nations Law of the Sea Conference. While the Conference is not yet over, some of these objectives have already been achieved. I refer, for example, to the 200-mile exclusive economic zone, sometimes called fishing zones, already in force in the case of Canada and soon to be established by Australia. Our two countries were amongst the originators of the concept at a time when many developing states but very few developed countries supported it. We worked together very closely to bring about general acceptance of this new concept, against the opposition, for many years, of all of the great powers except China. Our allies were the developing countries. This single change in the pre-existing international law, already coming into force through state practice, is so fundamental and so beneficial to our two countries that it alone would have justified our active participation in the Conference. There are many other examples of common objectives which we have pursued as partners and which will be achieved if and when the Conference concludes successfully.

In view of time constraints, I have been able to provide only a few examples of international issues on which our two countries consult, cooperate and collaborate. I might add that although we consult with many other nations as well, depending on the issue, there remains perhaps no other country with which we consult as often as with Australia.

CONCLUSIONS:

It is clear from what I have said that I believe deeply in the mutuality of interests between Canada and Australia. Indeed, I consider it one of my major responsibilities, as High Commissioner in Australia, to raise public awareness of the growing interdependence of our two countries on a wide range of crucial economic and political issues.

Canadians and Australians tend to take each other for granted. There is, of course, a great fund of goodwill. We like and respect each other. We know the myths about each country - the Mounties, the snow and the Eskimos in Canada, the kangaroos, the emus and the bronzed Anzac in Australia - but we don't know nearly enough about the actualities, particularly the surprising degree of similarities in the kinds of problems we are facing.

We must cement the relationship between Canada and Australia even more firmly, drawing upon our common bonds and the similarity of our institutions and legal systems, but going well beyond that into our relationships with the major power groupings in the world on fundamental economic and political issues, so that an awareness of our shared interests and needs become deeply imprinted on the public consciousness in both countries.

It is no longer a merely desirable objective, but an over-riding imperative that Canada and Australia work more closely together, now and in the future.