

Foreign and Commonwealth Office

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London SW1A 2AH

7 June 1979

Sir John Hunt, GCB Cabinet Office

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VISIT TO AUSTRALIA BY THE PRIME MINISTER 30 JUNE / 1 JULY

1. It has been agreed with the Australians that after the Economic Summit in Tokyo, the Prime Minister will go on to make an official visit to Canberra. There will be at least one and possibly two sessions of talks and possibly a dinner given by Mr Malcolm Fraser.

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2. Mrs Thatcher has visited Australia before in 1972 and 1976 and she has also met Mr Fraser before, but this is the first working visit by a British Prime Minister to Australia for nearly two decades and it accordingly acquires great significance in Australian minds.

3. There will be no fixed agenda, but we and the Australians expect that the two Prime Ministers will wish to concentrate on Anglo-Australian relations; the Tokyo Summit and Energy Problems; of the Commonwealth, the Heads of Government Meeting in Lusaka and African questions; and Developments in Asia, chiefly of course the problem of the Vietnam refugees. The only bilateral problem is the question of import licenses on coking coal which is the largest Australian export commodity. If Commission approval is given in time, the two Prime Ministers may also wish to sign the UK/Australian Bilateral Safeguards Agreement (to cover uranium imports from Australia). If so, we shall be making separate recommendations about this.

4. I attach a proposed outline of British objectives and an assessment of Australian objectives. I also enclose a suggested list of briefs. Since we have agreed that the arrangements for this visit should be kept separate from those for Tokyo, there will be a slight duplication of briefing on some of the political subjects. But we shall, of course, need to ensure that this set of

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briefs is written with the Australians in mind. I propose however that there is no need to provide any additional briefing on the subjects on the Tokyo Summit agenda about which, of course, Mr Fraser will be particularly interested in hearing Mrs Thatche 's iews. I suggest, if you and the other recipients of this letter agree, that the briefs should be coordinated by the Cabinet Office.

Andor

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No. No.

Michael Palliser

ccs:

Sir Douglas Wass KCB HM Treasury

B D Hayes Esq CB MAFF

Sir Frank Cooper KCB CMG MOD

Sir Kenneth Clucas KCB Department of Trade

Sir Peter Carey KCB Department of Industry

Sir Jack Rampton KCB Department of Energy

Sir Kenneth Berrill KCB Cabinet Office

B G Cartledge Esq No 10



1. To brief Mr Fraser about the Tokyo Summit and toddiscuss world economic issues (including energy).

2. To establish a personal relationship and understanding between the two Prime Ministers.

3. To underline the importance we attach to Australia and the value of keeping in close contact and of taking account of each other's interests.

4. To discuss the forthcoming Commonwealth Heads of Government Meeting in Lusaka; in particular to consult on policies towards Rhodesia.

5. To seek support for the Prime Minister's proposal to hold an international conference on Indo-China refugees and also to seek a greater Australian resettlement effort.

6. To explain to Mr Fraser the Government's determination to turn the economy round so that Britain can make its proper contribution to world affairs.

7. To welcome the successful conclusion of the recent EEC/ Australia MTN negotiations and to express the hope that this will create the basis for a more positive chapter in EEC/ Australia relations.

8. To stress the importance we attach to the Australia market.

9. To confirm to Mr Fraser the British requirement for Australian uranium.

10. To welcome and encourage Australia's increased involvement in the development and welfare of the South Pacific region, and to affirm our continuing commitments there.

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VISIT BY THE PRIME MINISTER TO AUSTRALIA: 30 JUNE / 1 JULY PROBABLE AUSTRALIAN OBJECTIVES

1. To establish a good working relationship with the Prime Minister. In domestic terms Mr Fraser wishes to show that Britain is taking Australia seriously and that he is a leader of Commonwealth and world stature. He has to avoid any suggestion of undue susceptibility to UK influence.

2. To discuss the Commonwealth Heads of Government Meeting; to emphasise the need to carry as many Commonwealth countries as possible with us in the action we take over Rhodesia.

3. To have a first hand account of the Tokyo meeting.

4. To seek continued UK assistance over improved Australian trading access to the EEC, and in particular to the UK.

5. The explain Australia's sympathies for third world aspirations, especially in the North/South dialogue.

6. To exchange views on developments in Asia, including Vietnam refugees.

7. To discuss Soviet global policies with special reference to the Indian Ocean, and defence matters.