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LONDON SWIA 2AA

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From the Private Secretary

Der Tony,

PRIME MINISTER'S MEETING WITH THE AUSTRALIAN PRIME MINISTER

The Prime Minister had a meeting this evening with the Australian Prime Minister on the eve of the Commonwealth Heads of Government Meeting. Mr. Hawke was accompanied by a number of officials.

South Africa

The Prime Minister said that she hoped that the meeting would not go over all the ground covered at Nassau and London. Mr. Hawke said that he noted no disposition to have a lengthy discussion of South Africa. President Kaunda had not given the impression of intending to make a big thing of it.

<u>Fiji</u>

Mr. Hawke said that he expected the question of Fiji's constitutional status to be resolved by the time of the Heads of Governments' retreat on 15 October. In that case it would probably be discussed there. The Prime Minister suggested that it might be better not to discuss the issue at all at CHOGM but to give time for things to settle down. It would be a mistake for the Commonwealth to turn its back on Fiji. After all there were some pretty dubious regimes in the Commonwealth, and it would be rather astonishing to pick on Fiji. Mr. Hawke allowed that there was a certain flexibility in the Commonwealth on these matters. There had been a meeting of the Pacific Forum group earlier in the day, at which the smaller Pacific countries had made clear their reluctance to see any discussion. They had to live with Fiji. His own fear was that the economic situation of Fiji would deteriorate drastically, to the point of serious instability.

The Prime Minister said that she hoped passionately that the Commonwealth link to Fiji would not be severed. It would be much better if matters were not brought to a head at this stage. Mr. Gandhi's comments were somewhat circumspect. Mr. Hawke repeated his view that there would be a discussion at the retreat. The sort of conclusions which he envisaged were: Fiji's affairs were for the people of Fiji to settle: the recent events were regrettable: but if Fiji believed that the Commonwealth could help in the present situation and sought assistance, the Commonwealth would be prepared to consider it.

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New Caledonia

The Prime Minister said that she hoped that any conclusions on New Caledonia would be phrased moderately. Mr. Hawke expatiated at some length on Chirac's mistaken policies which would inevitably lead to violence in New Caledonia. Indeed he was concerned about the wider risks of destabilisation in the Pacific, not just in New Caledonia but also in Vanuata, Fiji and even Papua New Guinea. That said, he thought that the Pacific countries would be ready to work for communique language on New Caledonia based on the resolution which they had tabled at the United Nations.

Bicentennial

The Prime Minister thanked Mr. Hawke for his invitation to attend the British week of Expo in Adelaide during the bicentennial. She would try to come.

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(C. D. POWELL)

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