



PRIME MINISTER'S

PERSONAL MESSAGE

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10th June, 1988

The Rt. Hon. Margaret Thatcher, MP.,
10 Downing Street,
LONDON SW1

My Dear Margaret,

On the eve of the Toronto Economic Summit, I wanted to emphasise to you the importance Australia attaches to this meeting, and in particular to its outcome on trade and agricultural reform.

Last year's Venice Summit, following on from the 1987 OECD Ministerial Meeting, achieved an historic breakthrough in recognising the serious nature of the world's agricultural problems and the key role that the Uruguay round of multilateral trade negotiations should play in maintaining and strengthening an open multilateral trading environment. Your personal contribution to the achievement of those positive results at the Venice Summit was much appreciated by Australia. I am also aware of the role you have continued to play by injecting these perspectives into the policy deliberations of the European community.

Despite the positive signals from last year's meetings, the recent OECD Ministerial Meeting in Paris brought to light sharp differences between Summit participants on Uruguay round issues, particularly agricultural reform and the nature and role of the Ministerial Mid-Term Review to be held in Montreal in December. I am moreover concerned by some reports that little progress can be expected on these issues at Toronto.

I see it as essential that Summit leaders re-emphasise the commitments they made last year to the urgent pursuit of agricultural reform and agree on the need for the Montreal Mid-Term Review to achieve substantive results where possible, and particularly in agriculture. A strong and

unified message from Summit leaders incorporating these elements would do a great deal to revitalise the negotiating environment in the lead up to Montreal and provide further impetus for the round as a whole.

Unless concerted leadership is shown, there is a very real danger that the momentum in Geneva will be lost and that protectionist pressures will intensify with resultant risks for world economic growth.

I wish you a successful and rewarding meeting in Toronto and look forward to discussing the outcome with you during your visit to Australia in August, a visit which my Government regards as one of the most important in our Bicentennial year.

Yours sincerely

R.J. Hawke

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