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Foreign and Commonwealth Office

London SW1A 2AH

30 August 1988

Dear Charles

Australia

Thank you for your letter of 7 August on the Prime Minister's visit to Australia.

The Foreign Secretary warmly welcomes the Prime Minister's wish to give Australia greater priority in our foreign policy. Mr Hawke's visit to the UK next year will be an important milestone.

As you will have subsequently seen from Canberra telex 659 and 660, Mr Coles has sought early agreement on dates for Mr Hawke's visit, other ministerial participation and the broad outline of the visit, so that he may discuss the visit as soon as possible with Mr Hawke's staff.

In addition to the Foreign Secretary we recommend that the Chancellor, Defence Secretary and Trade and Industry Secretary also participate. Lord Young will visit Australia in September and Mr Younger in March. Both will therefore be in a position to follow-up opportunities identified for advancing British interests. The Chancellor has regularly met his opposite number, Mr Keating, and would welcome the opportunity to continue the dialogue. We also strongly recommend that our invitations be extended to wives.

On dates, the period from 20-24 June is preferable. The Foreign Secretary, Chancellor of the Exchequer, Defence Secretary and Secretary of State for Trade and Industry would all be available to take part in bilateral talks. They would also be free from 4-7 July, but these dates are close to the 1989 Economic Summit and the summer State visit.

The Department of Trade and Industry are in favour of an Anglo-Australian Trade Conference and will now consider how this will best be organised. Lord Young may be able to propose such a conference and discuss the idea further with Australian Ministers during his visit.

/If

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If the Prime Minister agrees with the proposed dates we will instruct Mr Coles to inform the Australian Government and discuss their participation.

I am copying this letter to Alex Allan (HM Treasury), Brian Hawtin (Ministry of Defence) and Neil Thornton (Department of Trade and Industry).

Yours are

Bob Peirce

(R N Peirce)
Private Secretary

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