

APPENDIX 4

AUSTRALIA–JAPAN CONFERENCE FOR THE 21ST CENTURY

Sydney Declaration for Australia–Japan Creative Partnership

Co–Chairs’ statement—Australia–Japan Conference for the 21st Century

The Australia–Japan relationship is one of the most successful bilateral relationships in the Asia-Pacific region. It is a partnership of strength, resilience, diversity and goodwill. From the ashes of World War II, the two countries have built a strong partnership in the region and share fundamental values. Both have security alliances with the United States, and support the contribution to peace and stability in the region by the United States’ engagement in the region. Both countries have benefited from our strong and complementary economic relationship. People in Australia and Japan have successfully established a warm friendship and there is active interaction at many levels between the two countries.

This unique partnership represents the culmination of years of effort and commitment by both countries. But Australia–Japan relations cannot be taken for granted. It is time to find new ways to maintain the vigour of the relationship. In this endeavour, governments, business and the two communities should build on what we have to strengthen our relationship to the betterment of both countries and the region. Australia and Japan should be proud of their leading role in APEC’s establishment.

This statement suggests some ideas for future action. In doing so, the Conference should be viewed as the start, not the end, of a process. The bilateral relationship is dynamic and both sides need to continue to explore ways to move forward into the twenty–first century.

High level political dialogues between Australia and Japan including between Prime Ministers and Ministers—including through the Australia–Japan Ministerial Committee meeting—should be encouraged.

An initiative of our Prime Ministers, the concept of this Conference is unique in bringing together participants from government, business, academia, media and other areas with an emphasis on fresh ideas. Australia and Japan should explore the idea of convening a similar conference—Australia–Japan Conference for a Creative Partnership—in Japan or Australia in the future.

Strategic and political relations

Located at the northern and southern points of East Asia, Australia and Japan have a shared sense of concern, responsibility and opportunity about our neighbourhood. The two countries want the United States to remain engaged in the region, and to see China's integration as a constructive regional partner. Australia and Japan should build on these common interests by strengthening their bilateral dialogue, focusing on ways jointly to enhance regional security. This dialogue should cover region-wide issues (eg the US role in the region); sub-regional issues (eg East Timor, Korean Peninsula) and transnational issues (eg international crime, food security).

Ways to achieve this enhanced dialogue include:

- Expanded government dialogue
- Annual bilateral dialogue with government (civilian or uniformed), academia and media not only to deepen mutual understanding on key issues, but also to allow the development of joint approaches on these issues
- Expanded bilateral cooperation to improve capacity to respond to crises (eg peace-keeping training, new transnational security issues and regional management of economic assistance to South East Asia and the South-West Pacific)
- Cooperation to reinvigorate multilateral processes in the region and globally.

Trade/economic relations

We are excited by emerging new complementarities and new approaches to traditional complementarities in the economic relationship. In particular, the information and communications technology and services sectors promise to take the bilateral relationship to even greater levels of integration and mutual benefit. Government and business—both large and small business—on both sides should embrace these opportunities. Conference delegates welcome the two Strengthening Economic Relations studies as pre-study for stimulating future discussion. In particular:

- We should encourage more bilateral dialogue and partnerships in a range of areas, including IT, telecommunications, biotechnology, capital market linkages (private equity markets and securities markets including stock exchanges) as well as aged and health care, taking advantage of existing mechanisms—such as the AJBCC and JABCC—where workable. Enhanced cooperation on science and research and development should also be promoted. New forms of cooperation in traditional sectors should also be explored, including on processed food, agriculture and energy. Regulatory framework issues should be

addressed, including the possibility of a bilateral competition policy agreement.

- We encourage the Australian and Japanese Governments to explore a comprehensive approach to strengthening cooperation across-the-board in traditional as well as new sectors. An Australia-Japan Trade and Investment Facilitation Agreement (TIFA) should be considered by both countries as one way of working towards closer bilateral and regional economic integration.
- We urge the Australian and Japanese Governments to cooperate to review its goals, needs and path forward in order to revitalise APEC for the benefit of the Asia-Pacific region and to work towards the early launch of a new WTO round.
- Australia and Japan should play a leading role promoting greater dialogue on regional economic developments, especially economic reform, trade liberalisation in the region and regional infrastructure (including digital, energy, resources security and good governance).
- The Australian and Japanese Governments should lead a deeper and more intensive regional dialogue and action to promote financial and currency stability and a complementary review of the broader economic situation. This should include consideration of an Asian Monetary Fund (AMF).
- We recommend the Australian and Japanese Prime Ministers convene a meeting of regional CEOs to exchange views on specific regional economic problems.
- Conference delegates welcomed the invitation from the ANU to further debate and progress the bilateral economic agenda.

Cultural, social, science and technological relations

Promoting mutual understanding at all levels in both countries provides the basis for a closer partnership between Australia and Japan. People-to-people links have infused bilateral relations with a spirit of friendship and warmth and enriched the lives of Australian and Japanese people. In the year it is celebrating its twenty-fifth year, we single out the outstanding contribution of the Australia-Japan Foundation in successfully promoting better awareness between Australian and Japanese people.

Both countries—government, private or both—should continue to nurture this spirit of goodwill and mutual understanding in every way possible with special emphasis on our young people. This should include:

- More media exchanges—print and electronic media—to increase knowledge about each other's countries and help correct distorted or outdated perceptions

- More educational exchanges across all sectors—especially in the IT area; corporate exchanges and secondments; research exchanges; and cooperation between universities and research institutes. We should also allow freer exchange of educational credits. We recommend establishment of more Professorships of Australian and Japanese studies in each other's country.
- Strengthen Japanese and English language study in our respective countries.
- Seek issues of common language (science, music, sports) as a platform to deepen mutual understanding and cooperation.
- More cultural exchanges—including through the AJF, Japan Foundation and Australia Council—to increase further understanding of each countries' history, traditions and future—including of our indigenous peoples.
- Expand 'Artists in residence' programs, to give opportunities to promising young artists.
- Dialogue on social issues of common bilateral concern—starting with ageing population, health and quality of life issues; steps to revitalise regional and rural areas; youth issues—to exchange views and devise common approaches.
- To promote two-way tourism, recent trends should be examined.
- Specifically, we should pursue a proposal to establish an Asia-Pacific Life Science Highway with Australia and Japan as key hubs, to link together regional researchers in a virtual research community.
- Fully utilise internet (including broadband) and the Australia-Japan Cable to maximise communication and mutual understanding between our peoples.