

Senate Standing Committee on Foreign Affairs, Defence and Trade

**AUSTRALIA**

**AND**

**LATIN AMERICA**

June 1992

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## TERMS OF REFERENCE

On 9 April 1991, the Senate directed the Senate Standing Committee on Foreign Affairs, Defence and Trade to undertake an inquiry into Australia's relations with Latin America, and to report to the Senate by 30 November 1991.<sup>1</sup>

The terms of reference for the inquiry were:

Australia's relations with the republics of Latin America with particular reference to:

- (a) extension of political and cultural exchanges;
- (b) the further development of trade and transport links;
- (c) the prospects for investment and joint economic ventures;
- (d) joint participation in multilateral and other international organisations; and
- (e) co-operation on matters of international law enforcement.

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<sup>1</sup> Reporting date subsequently extended to 18 June 1992.

**SENATE STANDING COMMITTEE ON FOREIGN AFFAIRS,  
DEFENCE AND TRADE**

**MEMBERS**

Senator G.R. Maguire, South Australia (Chairman)

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## PROFILES OF MEMBERS OF THE COMMITTEE



**Senator Graham Maguire (ALP - South Australia), Chairman of the Committee since 1987, Senator Maguire holds an Honours degree in economics from Adelaide University and a Masters degree in economics from the Australian National University. He worked as an economic adviser to the Premier of South Australia before entering Parliament in 1983. Senator Maguire is also a member of the Joint Standing Committee on Foreign Affairs, Defence and Trade. He has served on the Parliament's**

**Public Accounts Committee and the former Senate Standing Committee on Industry and Trade. He is a member of the National Economics Policy Committee of the ALP, and a former member of the National Foreign Affairs Policy Committee of the Labor party. Senator Maguire is also a member of the boards of the Centre for Soviet and East European Studies at the University of Melbourne and Evatt Foundation in Sydney.**

**Senator Baden Teague (Liberal Party - South Australia), Deputy Chairman: A Senator since 1978, Senator Teague is chairman of the Opposition Task Force on International Relations. He has served on many parliamentary inquiries, especially in the areas of Foreign Affairs, Defence and Trade and Employment, Education and Training. Graduating BA (Hons) BSc at Adelaide and PhD at Cambridge, he worked at Adelaide University from 1972 to 1978 where he was responsible for student**



**services and lectured in the history of ideas. Senator Teague visited Argentina, Uruguay, Chile, Peru, Venezuela, Colombia and Mexico in July-August 1991 to meet government, parliamentary and business representatives in these countries. In December 1991 Senator Teague represented the Australian parliament at the inaugural meeting of the Asia-Pacific Parliamentary Forum.**



**Senator Bronwyn Bishop (Liberal Party - New South Wales)** was elected to the Senate in 1987. Chairman, Opposition Committee on Trade, Trade Negotiations, Customs and Privatisation 1990; Secretary, Coalition Economics and Business Taskforce 1990; Deputy Chairman, Senate Standing Committee on Regulations and Ordinances 1987. Member: Senate Standing Committee on Foreign Affairs, Defence and Trade 1990; Joint Parliamentary Committee of Public Accounts

1989; Senate Estimates Committee A 1987; Opposition International Relations Taskforce 1990. Shadow Minister for Public Administration, Federal Affairs and Local Government 1989-90. Deputy Chairman, Pacific Democrat Union 1991; President, Liberal Party of Australia (NSW Division) 1985-87.

**Senator Bryant Burns (ALP - Queensland)** was elected to the Senate in 1987. He is a member of several Senate Standing and Joint House Committees, including Industry, Science and Technology and Foreign Affairs, Defence and Trade. He is currently chairperson of the Senate Standing Committee on Rural and Regional Affairs as well as Senate Estimates Committee B. Senator Burns has worked as a Stockman, Boilermaker and Trade Union Official. Before entering Parliament



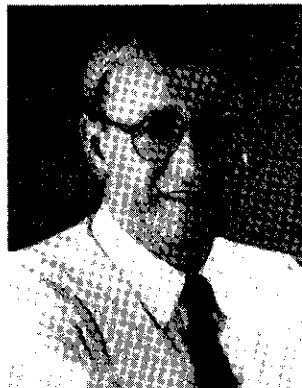
he was the State President of the Amalgamated Metal Workers Union, Queensland. He has held positions on various ALP and Trade Union Committees and was an Executive Officer of the Trades and Labor Council of Queensland.



**Senator Stephen Loosley (ALP - New South Wales)** is a Bachelor of Arts (First Class Hons) graduate in Political Science from the University of New South Wales and was General Secretary of the Australian Labor Party, New South Wales Branch, before being elected as a Senator from that State in March 1990. He has been a member of the Joint Statutory Public Accounts Committee. He is currently a member of several Parliamentary Committees, including the Senate Standing Committee on

Environment, Recreation and the Arts; Senate Standing Committee on Finance and Public Administration; Senate Standing Committee on Foreign Affairs, Defence and Trade as well as the Joint Committee on the National Crime Authority and the Select Committee on Community Standards Relevant to the Supply of Services Utilising Telecommunications Technologies. Senator Loosley was Chairman of both the ALP International Committee and ALP External Relations Committee and ALP Senior Vice President until June, 1991 when he was elected to the office of National President of the ALP.

**Senator Ian Macdonald (Liberal Party - Queensland)**, the Liberal Party's most Northern based Parliamentarian, was elected to the Senate in 1990 and appointed Shadow Minister for Local Government and the ACT in April 1992. Prior to his election, he practised as a solicitor in Ayr, North Queensland. He has held several executive positions in the Liberal Party's Queensland Division. Senator Macdonald was an elected Councillor on the Burdekin Shire Council between 1979 and 1990.



He is a member of the Senate Standing Committee on Transport, Communications and Infrastructure, Foreign Affairs, Defence and Trade and Scrutiny of Bills, as well as Senate Estimates Committee E. Senator Macdonald also serves on the Coalition Back Bench Committees on Tourism, Aviation, Local Government, Justice, Primary Industries, Transport and Communications, Resources and the Environment, Waterfront Reform and the Northern Australia Policy Forum. In early 1991 he was a member of the Parliamentary Delegation to Hong Kong, Singapore and Indonesia.



**Senator Sid Spindler (Australian Democrats - Victoria)** was elected to the Senate in 1990 and is currently the Australian Democrats' spokesperson on Attorney General and Justice, Trade and Customs, Defence, Ethnic Affairs. He is a member of the Senate Standing Committees on Foreign Affairs, Defence and Trade and Legal and Constitutional Affairs. He is also a member of the Joint Statutory Committees on National Crime Authority and Corporations and Securities, as well as the Joint

Select Committee on Family Law Act. Before entering Parliament, Senator Spindler, who holds an LL.B., M.A. (Prelim) Melbourne, was Senior Adviser to Senators Haines and Chipp. He was Deputy National President of the Australian Democrats from 1987-1990, and Victorian State President from 1985-1989. Previous experience includes a Youth Needs Survey for the Northern Territory Government, a five year development plan for the then Alice Springs Community College, UN consultancies in Tonga and Western Samoa, Social Planning work under the Australian Assistance Plan and extensive work in the Australian peace movement.

**Senator Sue West (ALP - New South Wales)** filled the casual vacancy created by the retirement of Senator Doug McClelland in 1987. Defeated in the double dissolution in July that year, she was re-elected to the Senate in 1990. Senator West is a qualified midwife, and has also worked as a community health nurse, a research officer and a ministerial consultant. She is a member of several committees, including the Senate Standing Committees on Environment, Recreation and the



Arts, Community Affairs as well as the Joint Standing Committee on the Australian Capital Territory. Most recently she became a member of the Senate Standing Committee on Rural and Regional Affairs. Senator West also served on the Senate Select Committee on Health Legislation and Health Insurance.





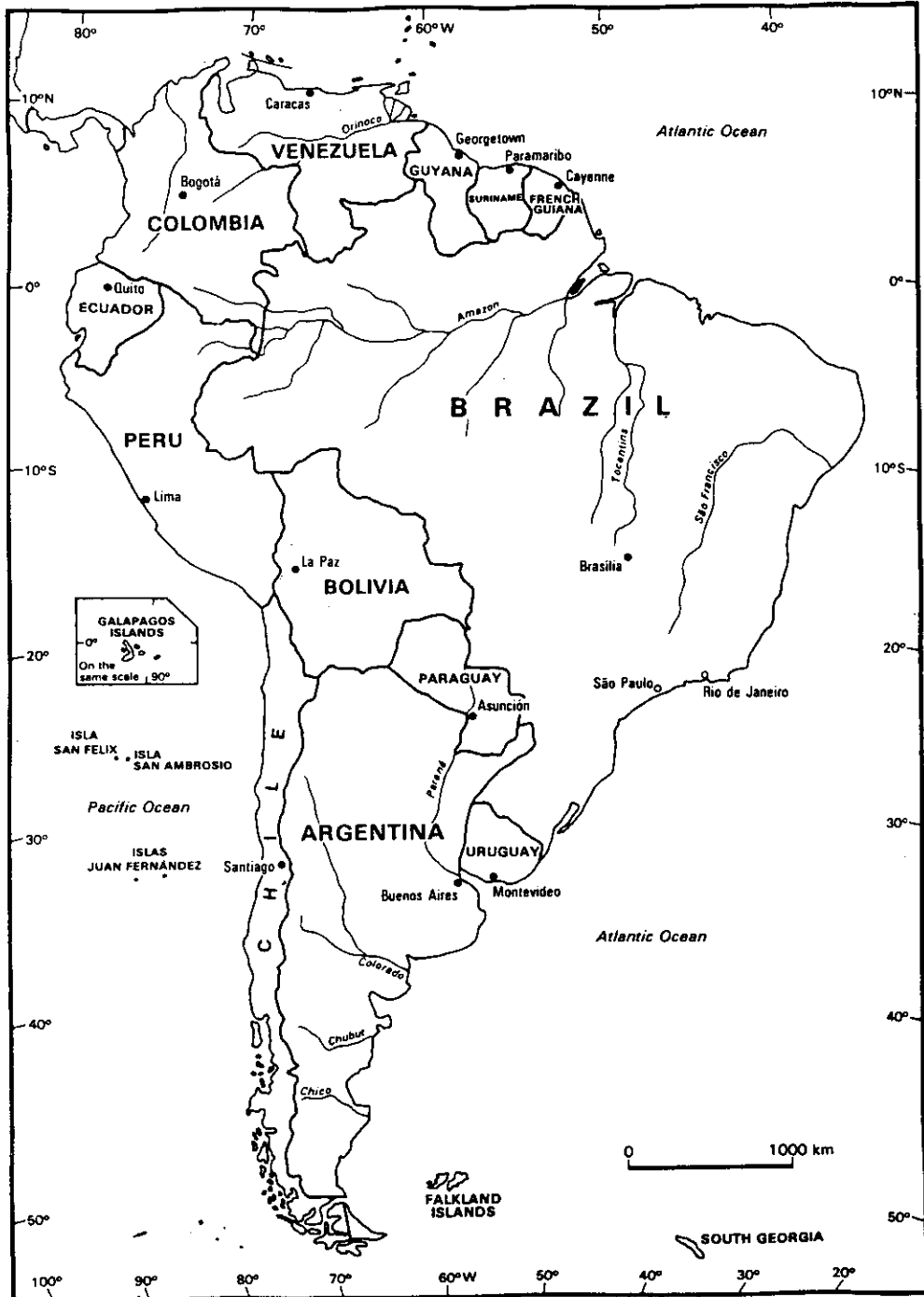
**Front Row (L to R):** H.E. Mr Fernando Navas de Brigard (Ambassador of Colombia); Senator Sue West; Senator Graham Maguire (Chairman); and Senator Baden Teague (Deputy Chairman).

**Back Row (L to R):** Mr Roberto Tourino (Charge d'Affaires of Uruguay); H.E. Mr Enrique J.A. Candiotti (Ambassador of Argentina); Senator Bryant Burns; Senator Bronwyn Bishop; H.E. Mr Gonzalo Bedoya (Ambassador of Peru); Mr Jorge Dupouy (Counsellor of Chile); and Senator Ian Macdonald.

**Senators not present:** Senator Stephen Loosley, Senator Sid Spindler.

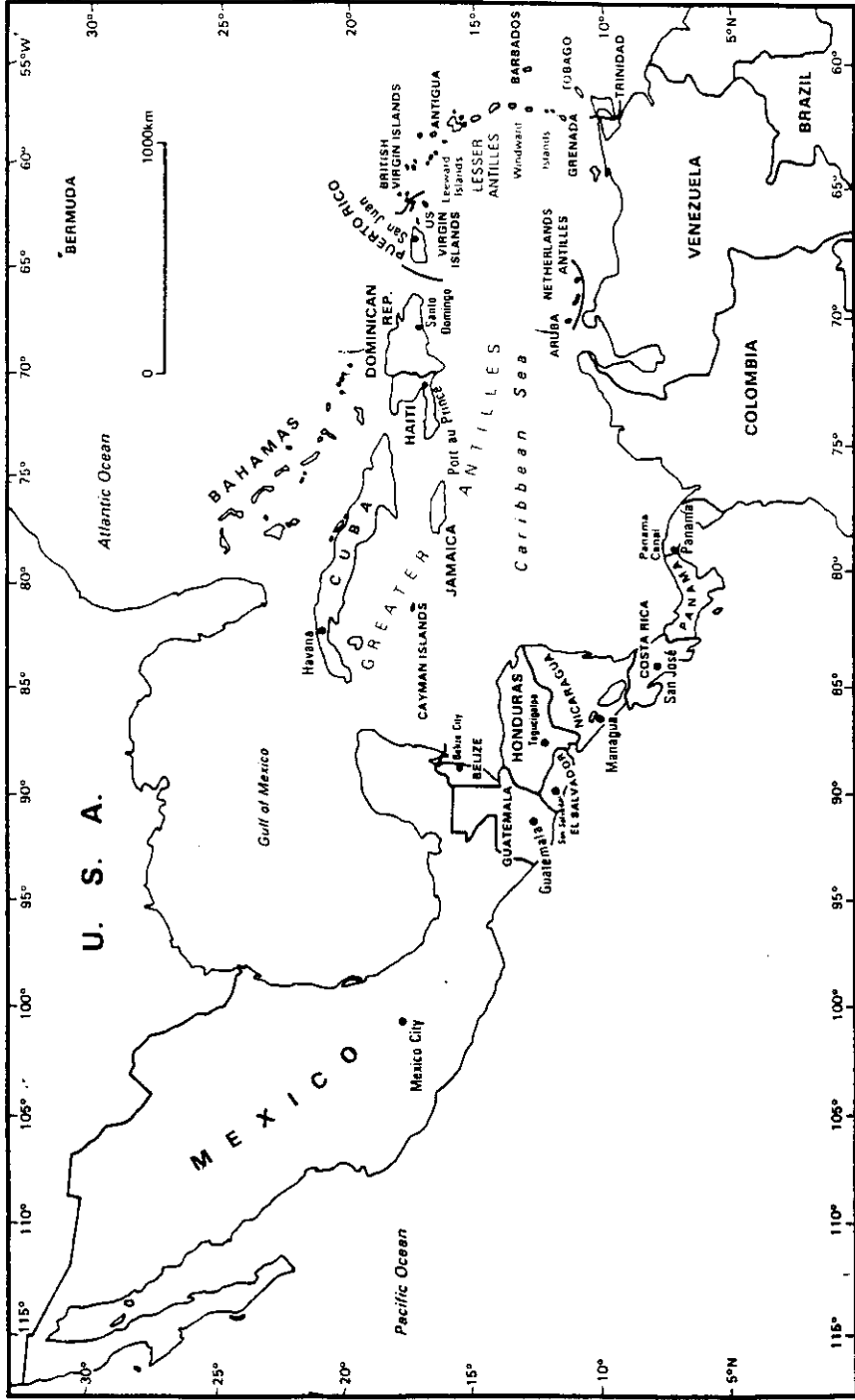
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# SOUTH AMERICA



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# CENTRAL AMERICA AND THE CARIBBEAN



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Central America and the Caribbean

Direct Airlinks Between Australia and Latin America

Direct Shipping Links Between Australia and Latin America

## INTRODUCTION

On 9 April 1991 the Committee was directed by the Senate to inquire into Australia's relations with the Republics of Latin America with a view to recommending ways in which the relationships may be improved. Particular attention was to be paid to the matters outlined in the Terms of Reference.

On 13 April 1991 the Committee placed advertisements in major Australian metropolitan newspapers inviting submissions to the inquiry. In addition, the Committee wrote to a large number of individuals and organisations both in Australia and Latin America, drawing their attention to the establishment of the inquiry and inviting submissions on the matters specified in the Terms of Reference.

The response to the inquiry was strong. A total of 120 submissions was received. The following is a breakdown of the submissions received:

<b>Origin</b>	<b>No. of submissions</b>
Businesses and commercial organisations	27
Academics (both research institutions and individual academics)	25
Commonwealth Government Departments or Agencies	17
Private individuals	17
Non-commercial institutions and organisations (eg. AFS International Exchanges)	16
Peak bodies and umbrella groups (eg. Australia-South America Business Council)	9
Diplomats	6
State Government Departments or Agencies	3
	-----
	120
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The Committee is pleased to note the following:

The greatest number of submissions was made by private commercial companies either involved or interested in trade with Latin America. They range from large companies such as Broken Hill Proprietary Company Limited, Western Mining Corporation, Mount Isa Mines, Australia and New Zealand Bank, Banco Santander and Davis Gelatine, to smaller companies such as Leighlands Pastoral Holdings, Mario Moreira Media Services International and Biogenesis Limited.

Six of the submissions received were from representatives of Latin American diplomatic missions in Australia. The Committee was pleased to receive the submissions of the representatives of Argentina, Chile, Colombia, Mexico, Peru and Uruguay. The Committee also received background information from the missions of Brazil and Venezuela.

Another six submissions were received from interested individuals and organisations overseas, namely, Mr James MacAonghus who told the Committee that he is a descendent of one of William Lane's "New Australians" (see para. 1.48 of this Report), the Brazil-Australia Chamber of Commerce in Sao Paulo, Brazil, the Institute of International Studies in Santiago, Chile, Central and Mayor Universities in Santiago, Chile, the Confederacion de Camaras de los Estaddos Unidos Mexicanos in Mexico, and the Australian Residents' Committee in Nicaragua.

By far the greatest number of the submissions dealt with two items in the Terms of Reference, namely the further development of trade and transport links (73 submissions) and the prospects for investments and joint economic ventures (58 submissions). Almost without exception submissions on transport links stressed the inadequacies of present air and shipping links between Australia and Latin America and cited poor transport links as an impediment to the development of trade between the two regions.

The Committee was pleased to receive 37 submissions dealing with political and cultural exchanges. There were fewer on multilateral and other international organisations (16 submissions) and international law enforcement (6 submissions).

The Committee received 13 submissions dealing either substantially or in passing with aid issues and the question of human rights abuses in Latin America.

The Committee held 12 public hearings, of which 7 were held in Canberra, two in Sydney, and one each in Adelaide, Brisbane and Melbourne. A list of the witnesses who appeared before the Committee at the hearings is at Appendix 1.

It quickly became evident to the Committee that it was dealing with a very broad topic. As the Committee pursued its inquiries and followed up leads, a large amount of detailed information on a great many aspects of the relationship between Australia and Latin America accumulated.

The Committee found the learning process of this inquiry valuable and fascinating. It emerged that links between Australia and Latin America were more extensive in the 19th century than at present. In fact, the early Australian colonists were largely sustained by wheat and flour from Chile in the 1850s.

It is fitting that in this year, the 500th anniversary of Christopher Columbus' voyage in search of the Indies and subsequent discovery of the New World, that we in Australia should strive to re-establish closer links across the Pacific with the republics of Latin America.

Many interesting and sometimes surprising facts also emerged from the evidence. For example, while Australians tend to see Latin America as a source of coffee, in 1990-91 Australia actually imported iron ore from Latin America worth more than coffee. Although Australia is itself a major producer and exporter of iron ore, a claim was made that ore from other countries, including countries of Latin America such as Brazil, must be blended with the Australian ore to make the best quality steel.

While Australia's economic relationship with the region as a whole is slight, there is at least one striking exception. Australian mining companies have focussed on Chile in a major way and Australian investment represents the third largest source of foreign investment there.

An interesting trend to emerge was the decision by many Australian companies to run their Latin American operations from offices in North America rather than from Australia or Latin America.

As one would expect, the countries of Latin America have very strong links with North America and continuing ties with Europe. However, in some areas, for example, sale of dairy products, competition in Latin America comes not only from the subsidised producers of Europe and North America. New Zealand dairy producers have provided strong competition and have substantially out-competed Australia in the Latin American market for dairy produce in recent years.

In presenting this Report the Committee has drawn on the information made available to it, using many case histories and specific examples quoted by witnesses to illustrate the broad assessments and trends that have emerged. The Committee has by no means been able to incorporate references to all the important details included in the submissions to the inquiry. With very few exceptions, this material is publicly available. To facilitate access it is being published in companion volumes to this Report. It is the Committee's hope that the material will be put to good use by those in both the public and private sectors interested in or tasked with carrying the recommendations of the Report forward.

The Committee would like to draw attention to an unusual, but very welcome feature of this inquiry, namely the close involvement of representatives of diplomatic missions in Canberra in the inquiry.

Representatives of the embassies and consulates of Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay and Venezuela were regularly present at the Committee's public hearings throughout the inquiry. Many missions kept the Committee up to date on developments in their respective countries. Committee members also had numerous informative discussions with the diplomatic representatives on an informal basis throughout the inquiry.

Of particular interest was the appearance of four Latin American diplomats before the Committee at public hearings. Only once before, since the Australian Parliament's comprehensive system of Standing Committees was set up (in the Senate in June 1970 and the House of Representatives in September 1987), has a foreign diplomat appeared before a Parliamentary Committee at a public hearing.<sup>1</sup>

On this occasion the Committee had the privilege of foreign diplomats from Chile, Colombia, Peru and Uruguay appearing before it as witnesses. Their participation underlined to the Committee the importance the Latin American representatives attach to relations with Australia, and their desire to assist the Committee to achieve substantive improvements in the relationships.

The Committee is also extremely grateful for the wholehearted support received from individuals and organisations and the many letters it received wishing the Committee well in its deliberations. The inescapable conclusion is that a concerted focus on Latin America through the avenue of a Parliamentary inquiry is valued by many in the community and regarded as a long-overdue development.

At the same time, the Committee detected considerably less enthusiasm and interest in some quarters. The Committee gained the strong impression that several Government departments and agencies are now so preoccupied with Asia that little thought is given to the far-away countries of Latin America. In the Committee's view, this is shortsighted.

The Committee is pleased with the response to the Latin America inquiry as well as the interest the inquiry has generated. It is also pleased to note the view expressed by the Department of Foreign Affairs and Trade (DFAT) that this inquiry has served to focus attention on Latin America "to an even greater degree than we had imagined possible."<sup>2</sup> The Committee notes that information collected during the inquiry has already been put to good use by DFAT and a number of Latin American missions in Australia in improving bilateral contacts.

The Committee is particularly pleased with some initiatives announced by Australian Government agencies during the course of the inquiry which reflect their new awareness of opportunities in Latin America. The Committee particularly welcomes

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<sup>1</sup> The then Soviet ambassador Dr Evgeni Samoteikin made Australian Parliamentary history when he appeared before this Committee on 21 November 1989 during the Committee's inquiry into the implications of "Perestroika" for Australia.

<sup>2</sup> Letter from Mr I. Wilcock to the Committee Secretary, dated 21 April 1992.

the announcements that:

- . Austrade's Senior Trade Commissioner will be based in Buenos Aires instead of Miami;
- . an Austrade Specialist Trade Commissioner (Mining and Energy) will be based in the Australian Embassy in Santiago;
- . Austrade's Manager, Telecommunications, will visit Latin America to assess and report on telecommunications opportunities; and
- . a study on shipping links between Australia and Chile (and Latin America) is being undertaken by DFAT in conjunction with Chilean government agencies and private shipping companies.

The Committee is convinced that, while Australia's present emphasis on relations with Asia is correct - one might even say belated - this focus should not be exclusive. The Committee would not like to see very real opportunities in other regions foregone just as Australia is coming to grips with Asia.

If the Committee could draw one parallel, it would be this: the difference between a team of professional players and a team of amateurs is that the professionals play a thinking game where the players position themselves on the field and do not simply all run after the ball.

Even in the midst of pursuing opportunities in Asia, Australians must not lose sight of the fact that strategic planning and positioning regarding Latin America needs to be carried out now, not in the next century when the continent is expected to be a significant economic force.

Put simply, Australia must play a professional game. To survive in a highly competitive global economy Australia must grasp the best opportunities wherever and whenever they occur. The Committee is firmly convinced that valuable opportunities are rapidly appearing in Latin America today. Government and business must work together to ensure that those opportunities are not missed.

## RECOMMENDATIONS

**Recommendation one:** The Committee recommends that greater effort be made by the Australian Government to establish stronger links with the countries of Latin America across a wide range of economic, cultural and academic activities.

**Recommendation two:** The Committee recommends that Australian Government departments and agencies put in place a common base for the collection and presentation of statistical information on Latin America.

**Recommendation three:** The Committee recommends that Austrade:

- . actively investigate and identify significant infrastructure projects likely to be built in Mexico and elsewhere in Latin America over the next decade relating to coal-based electric power industries;
  - . ensure that information about these projects is regularly updated and communicated to relevant Australian companies;
  - . bring together Australian companies with expertise in:
    - planning, design, construction, operation and maintenance of power generation and transmission plants, incorporating features that meet environmental concerns;
    - planning, design, construction, operation and maintenance of ports and coal-handling facilities; and
    - supply of steaming coal
- in order to put together attractive "packages" for the development of coal-related facilities in - and sale of coal to - Latin America;
- . provide practical support including where relevant, assistance with finance, insurance, feasibility studies and translation, to companies submitting integrated proposals to the relevant Latin American governments.

**Recommendation four:** The Committee recommends that the review of the Australian dairy industry's statutory marketing activities, which is to be undertaken in co-operation with the Australian Dairy Industry Council, include a thorough exploration of market opportunities in Latin America with a view to devising a long-

term strategy to increase Australia's market share in that region. The review should also:

- . consider whether the Australian Government should enter into discussions with relevant Mexican authorities about the existing tendering process for dairy products in Mexico in order to improve access for Australian producers; and
- . explore whether there are opportunities for Australian companies to participate in the development of the Mexican dairy industry.

Recommendation five: The Committee recommends that the Commonwealth Government, through meetings of the Federal and State ministers for agriculture, encourage the respective State barley boards to consider:

- . merging into a single National Barley Board; and
- . developing a long-term strategy to increase barley export to Latin America.

Recommendation six: The Committee recommends that the Australian Government:

- . pursue without delay any expressions of interest in bilateral science and technology agreements by the governments of the major Latin American countries with a view to negotiating and signing such agreements; and
- . keep relevant organisations and companies, including those identified in this Report, informed of assistance available under such agreements as they come into effect.

Recommendation seven: The Committee recommends that the Australian Government, through Austrade and other representatives stationed in Latin America:

- . closely follow reductions in tariff and non-tariff barriers in the Latin American countries;
- . ensure that this information is quickly and widely made available to Australian companies that may have an interest in the relevant product areas; and
- . identify remaining tariff and non-tariff barriers that might be included in future representations by the Government.

Recommendation eight: The Committee recommends that the Department of Foreign Affairs and Trade and the Attorney-General's Department canvass with the business community the value of wider adherence to international transport liability conventions, with a view to taking up matters relating to international transport liability with Latin American Governments as necessary.

Recommendation nine: The Committee recommends that the Australian Government make representations to the Government of Brazil to remove Brazil's freight tax or to amend it so that it does not discriminate against goods shipped over long distances.

Recommendation ten: The Committee recommends that the Australian Customs Service continue to maintain a high level of scrutiny of inbound goods that may pose a drug risk, and at the same time take steps to ensure that goods from Latin America are processed as quickly as possible.

Recommendation eleven: The Committee recommends that EFIC examine financing problems faced by companies dealing with Latin America, taking account of the rapid political and economic changes that have taken place in that region in recent years. The Committee further recommends that EFIC review its existing rules and procedures with a view to facilitating the provision of credit for companies trading with Latin America. In particular, EFIC should look to:

- . providing more medium and long term credit to such companies; and
- . eliminating the need for companies to apply for insurance on a shipment by shipment basis.

Recommendation twelve: The Committee recommends that AOTC, with the assistance of DFAT and Austrade:

- . establish in greater detail what specific opportunities in the telecommunications sector are likely to be available in Latin America in the next three years;
- . develop cooperative arrangements to ensure that up-to-date information is available to AOTC and that AOTC has access to appropriate on-the-ground assistance; and
- . develop a strategy to establish a more substantial Australian involvement in the telecommunications sector in Latin America. This should include two-way visits by appropriate Ministers to increase awareness in Latin American countries of Australian capabilities in this field.

The Committee further recommends that AOTC include a progress report on this matter in its 1992-93 Annual Report.

Recommendation thirteen: The Committee recommends that:

the Department of Immigration, Local Government and Ethnic Affairs ensure that it has a set of concise, clear and accurate guidelines that may be applied consistently to the lodging of applications for temporary entry of skilled workers. The guidelines should include all relevant information relating to documentation requirements;

in addition to being generally available, a copy of these guidelines should be sent to relevant individuals and agencies, including heads of Latin American diplomatic missions in Australia, DFAT, Austrade, DITAC and DPIE, industry associations, including the Australia-South America Business Council, and companies identified in this Report as having trading or investment links with Latin America.

Recommendation fourteen: The Committee recommends that the Australian Government:

signal clearly its recognition of Latin America as a region offering significant trade opportunities for Australia;

state its intention to work towards an increased share of trade with Latin America. The goal could be to increase the share from the present 1% share of Australia's total trade to 3% by the year 2000;

amend the working paper *Australian Trade and Investment Development* to accord more significance to Latin America as a region of opportunity and incorporate this amended policy in the National Trade Strategy; and

ensure that this changed policy is fully reflected in the strategic planning of - and implemented by - all relevant Commonwealth Government departments and agencies, particularly DFAT, DITAC, Transport and Communications, DPIE and Austrade.

Recommendation fifteen: The Committee recommends that DFAT, in close collaboration with Austrade and relevant Commonwealth and State marketing bodies, undertake a substantial detailed survey and assessment of trading and business opportunities in Latin America along the lines of those on North East Asia and South East Asia. This analysis should preferably be tabled within the next year.

Recommendation sixteen: The Committee further recommends that the assessment in recommendation fifteen be put to potential user groups, including the various industry associations, to enable those bodies to be better informed and better placed to take more effective advantage of trading opportunities in Latin America. The



assistance of the Council for International Business Affairs should be sought in this regard. Care should be taken to ensure that small to medium-sized Australian companies are also involved in this process. It is also essential that the process of dialogue between government statutory bodies with marketing responsibilities and the private sector be a continuing one. Direct and frequent contact between officers with responsibilities in the various areas should be encouraged.

**Recommendation seventeen:** The Committee recommends that the Australian Government consider the appointment of a permanent representative in Sao Paulo in the context of an overall strategy to improve commercial and other links with Latin America.

**Recommendation eighteen:** The Committee recommends that DFAT takes steps to identify and appoint suitable Honorary Consuls in Latin American countries in which Australian diplomats are presently not based and which present significant trade and investment opportunities.

**Recommendation nineteen:** The Committee recommends:

- . that an Energy and Mining Trade Specialist be placed in Mexico City as soon as possible. The representative should:
  - be based within the Australian Embassy;
  - have expert knowledge of a range of mining and mineral technology matters. In particular, the representative should have expert knowledge of the types of coal that can be sourced from Australia, of port handling and of the construction of coal-fired electric power plants;
  - liaise with Government authorities and private enterprise in Mexico on energy requirements;
  - also have responsibility for identifying and developing opportunities in the energy and mining fields in Colombia and Venezuela;
- . that the appointment be made for a period of three years, at the end of which a review of the appointment be made.

**Recommendation twenty:** The Committee recommends that Australia's trade representatives in Latin America should:

- . be fully briefed on the capabilities of Australian industry before taking up their appointment in Latin America. This should include at least two months of induction in Australia with attachments to Austrade offices and to selected

Australian companies as part of the induction process;

visit Australia at least every other year thereafter.

Further, the Committee believes that consideration should be given to applying these principles to all Austrade postings.

**Recommendation twenty one:** The Committee recommends that the Export Access Program of the Department of Industry, Technology and Commerce be extended to include Latin America as a target area.

**Recommendation twenty two:** The Committee recommends that DFAT and Austrade initiate the negotiation of mutually beneficial bilateral relations agreements that are not at variance with GATT rules between Australia and the major republics of Latin America, either on a country or trade promotion agency level.

**Recommendation twenty three:** The Committee recommends that, in the light of the Committee's identification of Latin America as a potentially significant trading and investment partner, the Australian Government take appropriate steps to ensure that:

Double Taxation Agreements are concluded with the major Latin American countries within the next three years; and

the need for other relevant agreements, such as Social Security and Employment arrangements, is kept under review.

**Recommendation twenty four:** The Committee recommends that DFAT and Austrade take steps to assist in the establishment of industry bodies, such as business councils and chambers of commerce, linking Australian companies with an interest in Latin America, to supplement the bodies already in place. Priority should be given to those Latin American countries with diplomatic representation in Australia.

**Recommendation twenty five:** The Committee recommends that Austrade:

compile a list of major trade fairs, exhibitions, conferences and other events in Latin America which Australian companies could consider attending. In drawing up such a list, Austrade should consult with DFAT and relevant agencies, and also refer to the information provided to the Committee by the Latin American diplomatic representatives in Australia;

circulate the list to Australian companies through Austrade's State Offices, Client Support Units and Business Development Units;

- . indicate in order of priority, which events Austrade would most recommend for Australian participation and where Austrade could assist Australian companies to participate in these events;
- . actively assist Australian companies to be represented in selected events.

**Recommendation twenty six:** The Committee recommends that sympathetic consideration be given by the Department of Transport and Communications to any request by Aerolíneas Argentinas for a guarantee of longer-term access to a second weekly frequency. In the Committee's view this could be done without cutting off the option for Qantas to begin a Sydney-Buenos Aires service at any time in the future.

**Recommendation twenty seven:** The Committee, while regretting the Qantas decision to downgrade its service to Papeete, nevertheless recommends that Qantas actively pursue with Lan Chile the question of improving the connection between Lan Chile and Qantas flights at Papeete.

**Recommendation twenty eight:** The Committee recommends that DILGEA review the present method of recording destinations of travellers with a view to producing more accurate and more meaningful data on countries visited by Australian travellers.

**Recommendation twenty nine:** The Committee recommends that:

- . Latin American countries be included in the list of countries whose citizens do not require a transit visa;
- . streamlining of procedures for the issue of visas to visitors from Latin America be accelerated; and
- . all DILGEA staff in Latin America with authority to issue visas are made fully aware of the need to eliminate unnecessary delays in the issue of visas.

**Recommendation thirty:** The Committee recommends that DFAT and Austrade act as catalysts to assist the Australian business community and the current and potential providers of direct shipping services between Australia and Latin America to identify ways and means of promoting and facilitating trading links. The participation of the Department of Transport and Communications and the Australian Chamber of Shipping should be sought as necessary. Discussions between the parties should be held both at overseas posts and in Australia.

**Recommendation thirty one:** The Committee recommends that a Task Force on Latin America be established, initially for a period of two years. This Task Force should be chaired by the Department of Foreign Affairs and Trade and should involve the following bodies:

Australian Trade Commission  
Department of Transport and Communications  
Department of Employment, Education and Training  
Department of Immigration, Local Government and Ethnic Affairs  
Department of Primary Industries and Energy  
Department of Arts, Sport, the Environment and Territories  
Department of Industry, Technology and Commerce  
Department of the Prime Minister and Cabinet

the objective of the Task Force in the first instance should be to examine what contribution each participating department or agency might make to increasing links with Latin America as set out in Recommendation one of this Report;

the Task Force should develop a clear strategy, identifying complementary action that must be taken by each party to achieve the objective of increasing such links;

in developing a suitable strategy, the Task Force should take account in particular of Recommendation fourteen of this Report and address in detail the issues identified in paragraph 6.207. On the matter of transport links between Australia and Latin America, the Task Force should seek improvements in:

- the frequency of services;
- the cost of services; and
- the ease of connections.

the Task Force should involve directly in its activities or working groups that might be set up under it, other interested parties such as the Civil Aviation Authority, Qantas and other Australian airlines interested in establishing international services, the Australian Tourist Commission and State Tourism Authorities, relevant Marketing Boards (such as the Australian Dairy Corporation, the Australian Horticultural Corporation, Australian Coal Board and various Barley Boards), and other relevant bodies such as the Australian Business Council, the various Chambers of Commerce and AILASA;

the Task Force should build on the findings of this Report and have ongoing responsibility for coordination of the Australian Government's policies in relation to Latin America. The Task Force should monitor implementation of the Recommendations of this Report;

the existence and role of the Task Force should be well-publicised and a position in DFAT clearly identified as a first point of contact and advice for

anyone interested in pursuing opportunities with the countries of Latin America;  
and

progress in implementing the Recommendations of this Report and the requirement for the Task Force should be reviewed in two years' time.

Recommendation thirty two: The Committee recommends that the Australia Council, DFAT, Austrade and DASET make every effort to coordinate their activities in Latin America so as to maximise the impact of both cultural and trade promotion activities. Since the lead-times for such activities are long, the Committee recommends that the Australia Council, DFAT, Austrade and DASET develop coordinated, three year rolling plans for mutually supportive projects in Latin America. The possibility of integrating such activities with Ministerial and Parliamentary visits should also be fully explored.

Recommendation thirty three: The Committee recommends that the responsibility for exchanging information on opportunities for cultural activities and exchanges should be more clearly identified and more widely shared between the bureaucracy and outside bodies. To that end the Committee recommends that the *joint responsibility* of key areas in the bureaucracy to keep each other - and bodies such as the Australia Council, and private sector organisations, companies and academic institutions with an interest in Latin America - *informed of opportunities* in the cultural exchanges field be *clearly enunciated*. In particular, this responsibility should be clearly identified in the objectives and work programs of the relevant Department of Foreign Affairs and Trade Branches (i.e. Americas, Overseas Information and Cultural Relations), Australian diplomatic missions in Latin American countries, and Austrade.

Recommendation thirty four: The Committee recommends that the Australian Government give consideration to, and actively explore with the Governments of the Republics of Latin America, the value and feasibility of cultural agreements as a means of facilitating cultural exchanges. Priority could be given to those with resident representation in Australia.

Recommendation thirty five: The Committee recommends that, in the implementation of the Government's Language Policy, the Federal and State Education Departments ensure that they themselves are fully aware, and ensure that potential students of foreign languages are made fully aware of the importance and value of Spanish as an international language.

Recommendation thirty six: The Committee recommends that in the implementation of the White Paper *Australia's Language: The Australian Language and Literacy Policy*, resources be allocated in such a way as to ensure that by the year 2000 the provision of Spanish language training in Australia brings the Spanish language more nearly

towards that attained by the French language, both in numbers of students and level of proficiency.

The Committee emphasises that, in the light of the extremely low level of foreign language study, particularly in the secondary education sector, in Australia today, the extra effort required for the Spanish language should *not* be at the expense of any of the other priority languages, but should be a net addition to current efforts.

Recommendation thirty seven: The Committee recommends that DEET, in cooperation with State education authorities, institute a scheme whereby native Spanish speakers who do not have Australian teaching qualifications may be employed as assistants in the teaching of the Spanish language in Australian schools.

Recommendation thirty eight: The Committee recommends that DEET in cooperation with State education authorities actively explore the possibility of arranging teacher exchanges between Australia and the countries of Latin America as a means of overcoming the serious shortage of Spanish language teachers in Australia.

Recommendation thirty nine : The Committee recommends that DEET institute a system whereby language skills developed outside the formal schooling system can be assessed and acknowledged as a recognised education qualification.

Recommendation forty: The Committee recommends that relevant Government Departments and authorities, such as DEET and Austrade, support, as a matter of priority, the inclusion of Spanish language training in the establishment and operation of Language Export Centres.

Recommendation forty one: The Committee recommends that the proposed Australian representative in Sao Paulo (see Recommendation seventeen):

- . evaluate the opportunities for marketing of Australian educational services; and
- . be in a position to issue visas.

Recommendation forty two: The Committee recommends that the Australian Government, and relevant authorities take note of the AGB report, *International Competitiveness Study*, particularly recommendations 3, 5, 6 and 7 and where possible implement these recommendation in respect to Latin America in order to promote Australian educational services in that region.

**Recommendation forty three:** The Committee recommends that action be taken by DILGFA, the Department of Foreign Affairs and Trade and Austrade to ensure that their officers located in Latin America are fully aware of the educational services available in Australia to overseas students and are in a position to give appropriate information and guidance to potential students.

**Recommendation forty four:** The Committee recommends that DEET and Austrade coordinate with educational institutions and relevant bodies in Australia to produce an information kit, in both Spanish and Portuguese, listing:

- . courses available in Australia and the institutions providing them;
- . the process for enrolling at the various institutions concerned;
- . costs involved;
- . the process involved in applying for visas to study in Australia; and
- . general information on living in Australia, particularly as a student.

These kits should be provided to Australian diplomatic posts and Austrade offices in Latin America for distribution to potential students on request.

**Recommendation forty five:** The Committee recommends that Austrade and the Department of Foreign Affairs and Trade in association with interested educational institutions in Australia mount a concerted campaign to promote the provision of educational services in Australia to Latin Americans.

**Recommendation forty six:** The Committee recommends that Government funding be provided for:

- . the appointment of a full time secretary to AILASA;
- . assistance with the publication of a regular AILASA Bulletin or Newsletter;
- . assistance to AILASA to complete a national inventory of specialist resources on Latin America; and
- . assistance to AILASA to hold a major annual Round Table on current issues in Latin American relations, involving AILASA and relevant business, government, migrant, cultural and community organisations.

Recommendation forty seven: The Committee recommends that, as one means of achieving the objective in Recommendation one of this Report the Department of Education, Employment and Training establish an institutional links program, based on the model developed for the Asian region, to assist universities to establish collaborative research and exchange arrangements with universities in Latin America.

Recommendation forty eight: The Committee recommends that:

- the National Library, in consultation with other major collecting institutions, examine the value of formalising the present informal agreement between these institutions to ensure a fair and effective allocation of material on Latin America among them and the development of appropriate centres of excellence for Latin American studies; and

- a feasibility study be carried out by the National Library, La Trobe University Library and the University of New South Wales School of Librarianship, into a program of exchange with appropriate libraries and universities in Latin America, whereby materials on Latin America might be made available to Australian libraries, and materials on Australia as well as technical and training assistance be made available to national library systems in Latin America.

Recommendation forty nine: The Committee recommends that Government Ministers with responsibilities in areas of mutual interest to Australia and to the countries of Latin America, such as mining, telecommunications, agriculture and agricultural technology, as well as Ministers with responsibility for Trade and Foreign Affairs seek out opportunities to visit Latin American countries to further the interests of Australia in the region. The Committee also encourages the Australian Government to continue to invite Latin American political leaders and Government Ministers to visit Australia.

Recommendation fifty: The Committee recommends that the momentum of political and parliamentary exchanges built up in the last two years be consolidated. The Committee also recommends that the Australian Council for Political Exchange look to expanding its program to include Latin America on a bilateral basis. The Committee suggests that the first country to be considered should be Mexico.

Recommendation fifty one: The Committee recommends that the Special Visits Program conducted by the Department of Foreign Affairs and Trade should include at least two visitors from the Latin American region each year.

Recommendation fifty two: The Committee recommends that Australia build on existing links with the Latin American countries on issues that come before the United Nations. Greater effort should be made to identify issues of common concern and a more regular pattern of pre-General Assembly consultation instituted. Such habits of



consultation would be facilitated if DFAT were to initiate a series of regular briefings of Latin American Heads of Mission in Canberra, two or three times a year, on issues of common interest. The basis would thus be more firmly laid for the Minister for Foreign Affairs and Trade to expand his contact with the Foreign Ministers of the Latin American countries in the bilateral round of negotiations traditionally conducted with Australia's more important international partners before each session of the United Nations General Assembly.

Recommendation fifty three: The Committee fully supports the Government's efforts to negotiate and bring into effect new extradition and mutual assistance in criminal matters treaties with Latin American countries and recommends that the negotiation of the treaties identified in para 8.42 be pursued as a matter of urgency with a view to finalising agreed texts by the end of the 1992-1993 financial year.

Recommendation fifty four: The Committee recommends that steps be taken without delay to enable Australia to proceed to ratification of the 1988 UN Convention Against Illicit Trafficking.

Recommendation fifty five: The Committee recommends that Australia continue to participate actively in the United Nations drug control program, including participation in elements of the program specifically directed to Latin America.

Recommendation fifty six: The Committee recommends that the level of police liaison with Latin American law enforcement authorities be regularly reviewed by the Australian Government in the light of any growth in interdictions or intelligence indicating an increase in direct importation of drugs into Australia from Latin America.

Recommendation fifty seven: The Committee recommends that the Australian Government give favourable consideration to providing modest and selective law enforcement assistance to countries in the Latin American region along the lines of some already delivered in South East Asia.

Recommendation fifty eight: The Committee recommends that scientific exchanges on Antarctic issues be considered for inclusion in the science and technology agreements proposed by the Committee in Recommendation six.

Recommendation fifty nine: The Committee recommends that:

dialogue of the kind initiated with Argentina on the implementation of a future convention on the Prohibition of Chemical Weapons be extended to other countries of Latin America; and

that Australia, as the sponsor of the Chemical Weapons Regional Initiative in its own region, maintain close contact with the regional initiative taken by Venezuela.

Recommendation sixty: The Committee recommends that the Australian Government, as a matter of utmost urgency, conduct, in close consultation with the private sector, a detailed study of the implications of arrangements that are likely to be included in any North America Free Trade Agreement (NAFTA), and which have the potential to have a significant impact on Australia. Particular sectors that might be the subject of such study include the steel, textile, dairy, meat and sugar industries. The purpose of the studies would be to enable the Australian Government to seek to influence, in a timely manner, the outcome of NAFTA negotiations.

Recommendation sixty one: The Committee recommends that the Government institute a detailed study of the implications of Latin American regional trade and economic groupings for Australia. The study should, as far as possible, draw on expertise available in both the academic and business world.

Recommendation sixty two: The Committee recommends that the Australian Government actively support the application by Mexico for membership of APEC.

Recommendation sixty three: The Committee recommends that Australia also encourage the favourable consideration by APEC members of applications by other Latin American countries for membership of APEC.