

General Assembly Security Council

Distr. GENERAL

A/40/565 S/17411 21 August 1985

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Fortieth session
Item 35 of the provisional agenda*
POLICIES OF APARTHEID OF THE
GOVERNMENT OF SOUTH AFRICA

SECURITY COUNCIL Fortieth year

Letter dated 20 August 1985 from the Acting Permanent Representative of Australia to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith a statement by the Foreign Minister of Australia, Mr. Bill Hayden, M.P., on measures taken by the Australian Government against South Africa following its review of recent developments in that country.

I should be grateful if the above-mentioned text could be circulated as an official document of the General Assembly, under item 35 of the provisional agenda, and of the Security Council.

(<u>Signed</u>) Cavan HOGUE
Ambassador and
Acting Permanent Representative

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ANNEX

Statement by the Australian Foreign Minister, Mr. Bill Hayden, on action taken by the Australian Government against South Africa, 19 August 1985

Cabinet met again today to review the situation in South Africa. It did so in the light of the decisions reached on 12 August concerning measures to be taken by the Australian Government and the statement made by South Africa's President Botha on 15 August.

Ministers expressed their grave concern and extreme disappointment that President Botha's statement was so negative and unhelpful. It did not offer the majority of the South African people a commitment to clear and defined progress towards a genuinely multiracial society. It held out little hope that the state of emergency will be lifted in the near future. It gave no commitment for the release of Nelson Mandela and other political detainees who will be necessary participants in any negotiations with the South African Government on black rights. Indeed, it failed to provide a credible basis upon which any representative black leaders could play an effective part in South Africa's political process. The statement missed the opportunity to create the atmosphere which could help lessen the present violence in South Africa.

Ministers were assisted in their discussions today by the Australian Ambassador to South Africa, Mr. Birch. They decided that Mr. Birch should return to South Africa in order that the Government should continue to have his advice on developments there, including steps the South African Government might take to implement its stated commitment to press ahead on a reform programme.

They noted that the South African President's statement was unlikely to bring about significant early reform and that effective action in the form of mandatory and comprehensive economic sanctions imposed by the United Nations Security Council are unlikely to be achieved in the near future. Consequently, Ministers decided to confirm the measures that were previously agreed at their 12 August meeting.

Accordingly, the Government has decided that, while continuing to work closely with other Governments in the United Nations and Commonwealth contexts for positive action to foster peaceful change in South Africa, Australia will introduce a range of selective economic and other measures consistent with recent United Nations Security Council resolutions.

Ministers have decided that:

1. The Minister for Foreign Affairs develop a strategy to seek positive action in the United Nations context for effective sanctions against South Africa for presentation by the Prime Minister at the forthcoming Commonwealth Heads of Government Meeting (CHOGM) in Nassau, including proposals for consideration to CHOGM (and, if appropriate, the United Nations General Assembly) for:

- (a) The appointment of a group of international authorities to advance proposals for the peaceful transition of South Africa to a multiracial society based on universal adult suffrage, and
- (b) The appointment of an international expert group to study how the suspension of new investment in South Africa might be implemented and co-ordinated.
- Australia, conscious of the inadequacy of unilateral sanctions, reaffirm its preparedness to work at the United Nations for the imposition of effective, mandatory economic sanctions against South Africa.
- Australia's current policies on sporting contacts and civil aviation policies be maintained.
- Australia maintain its diplomatic representation in South Africa at current levels but close the Trade Commission in Johannesburg from the end of September 1985.
- 5. Normal trade relations with South Africa be maintained but avoiding official Government assistance and that the Government also:
 - (a) Prohibit exports to South Africa of petroleum and petroleum products, computer hardware equipment and any other products known to be of use to the South African Security Forces, and
 - (b) Prohibit the import from South Africa of krugerrands and all other coins minted in South Africa and all arms, ammunition and military vehicles.
- 6. All new investment in South Africa by the Australian Government and public authorities be suspended, except for that which is necessary to maintain Australian diplomatic and consular representation in South Africa.
- All Australian banks and other financial institutions be asked to suspend making new loans, either directly or indirectly, to borrowers in South Africa, and
- Direct investment in Australia by the South African Government or its agencies be prohibited.

In addition, and as a corollary to an earlier Government decision to deny Government construction contracts to majority-owned South African firms operating in Australia, Ministers have decided:

- (a) To place an embargo on all new Government contractual dealings with majority-owned South African firms for contracts above \$20,000;
- (b) To terminate all export facilities available through Export Finance Insurance Corporation (EFIC), Export Market Development Grant Scheme (EMDGS), and Australian Overseas Projects Corporation (AOPC), and certain industry assistance to such firms;

- (c) To avoid Government procurement of supplies from South African sources, save that necessary for the maintenance of Australian diplomatic and consular representation in Southern Africa; and,
- (d) To restrict Government sales of goods and services to South Africa. South African Government agencies are included in this embargo.

Furthermore, Ministers have decided that the way be prepared, through amendments to be proposed to relevant legislation, for the facilities available through EFIC, EMDGS and AOPC, and tourism assistance under the Tourism Overseas Promotion Scheme to be withdrawn in respect of South Africa at short notice in the light of the Government's assessment of developments in South Africa and international responses to these developments.

These measures should be viewed in the context of actions taken earlier against South Africa in such areas as civil aviation, sporting contacts, business conduct and positive programmes to help disadvantaged black South Africans. They show the Government's complete and unambiguous rejection of <u>apartheid</u> and its intention to demonstrate its rejection in as effective a way as possible.

Ministers emphasized that in implementing these further economic and other measures, the Government wished to contribute to international pressure to accelerate a process of reform and peaceful change in South Africa. Ministers saw the Government's actions as part of a graduated step-by-step process, with the pace and nature of any further Australian Government action being conditioned by the South African Government's own response to the political aspirations of its black community.

Australia wished to avoid a further deterioration in the situation in South Africa and believed that the establishment of a multiracial society based on universal suffrage should be the goal of Australian policy.