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AUSTRALIA-ASEAN
AUSTRALIA AND NEW ZEALAND SEEK ASEAN DEAL

By: Neville D'Cruz

MELBOURNE, April 22 (Bernama) -- Australia and New Zealand (NZ) may finally strike a free trade deal with the Association of South-East Asian Nations (ASEAN), it is reported.

After years of courting the 10-member grouping, and being stymied by former Malaysian Prime Minister Tun Dr Mahathir Mohamad, ASEAN economic ministers plan to invite Australian Prime Minister John Howard and his NZ counterpart Helen Clark to a leaders' meeting in Laos in November to discuss the plan.

Such a move would link Australia and NZ, which have shared a free trade agreement for two decades with countries including Indonesia, the Philippines and Brunei.

And with ASEAN already in talks over free trade deals with China, India and Japan, the move could lock Australia and NZ into an Asian free trading bloc.

Australian Foreign Affairs Minister Alexander Downer and Trade Minister Mark Vaile welcomed the ASEAN announcement, saying it would build upon the already strong links between the group and Australia.

"It builds on a wide and deep network of economic, commercial and financial relations between Australia and ASEAN," they said in a statement.

"A trade agreement would complement the two free trade agreements Australia has recently negotiated with ASEAN members."

The Australia-Singapore free trade agreement went into force last year, while an Australia-Thailand deal should start operation from the start of 2005.

NZ is also in talks with Singapore and Thailand about possible free trade links. Last financial year Australia exported almost A\$14 billion (A\$1=RM2.79) worth of goods to ASEAN nations, and imported almost A\$22 billion worth of goods and services.

In New Zealand, Trade Negotiations Minister Jim Sutton said the decision marked a breakthrough in the country's relationship with ASEAN.

"This is great news, and I look forward to exploring it further," he said.

Both Australia and NZ have long sought to strike an agreement with ASEAN, but on most cases have been knocked back because of the position taken by Dr Mahathir, who stepped down end-October last year. --
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