

PRESS, RADIO AND TELEVISION CONFERENCE GIVEN
BY THE PRIME MINISTER, MR. HAROLD HOLT, AT
SOUTH AUSTRALIAN HOTEL, ADELAIDE, S.A.

25TH MARCH, 1966

MR. HOLT : Well, Nancy and gentlemen - I am already heartened to find my very dear colleague here with me; I welcome her in her new capacity, but I hope she won't be long separated from us. And I see some other old friends in Stewart and some of you that I think I have encountered in the course of campaigning or Treasury operations or something of that sort. But I didn't come here equipped to make any long nation-shaking utterance. I did want to take this opportunity, quite early in my own Prime Ministership, of meeting representatives of the Press from South Australia, and while here, give you the opportunity - if you choose to exercise it - of putting any questions you may wish to me about current affairs. But I think rather than spend a great deal of time on matters which may not be of interest to you, I could leave the time to you, hoping there will be enough left from the two of us to enable me to partake of the refreshments with you.

I may say that this is the first time that I have been to one of your Adelaide Festivals. Mrs. Holt and I are greatly looking forward to the remainder of the programme which we have before us. But I do regard it as a very happy circumstance that the visit enabled me to be at the very impressive opening this afternoon of Flinders University. Our own Government, as you know, has taken a very great interest, and my predecessor made it one of his prime concerns and personal interests to advance the university expansion programme throughout Australia, and I know it would have given him very great personal pleasure to be here today and see this wonderful example of the fruits of that policy of expansion.

Now, there must be some questions bubbling up in your minds, so it is over to you.

Q. (Cockburn of the "Advertiser") : Mr. Holt, you are reported as saying today that when the Government has fully explained its reasons for its conscription policy for Viet Nam, you are confident that the country will be behind you. Can you tell us why you haven't found it possible to disclose these reasons already?

MR. HOLT : Well, I wasn't speaking of reasons in the sense of the broad purposes of policy. This has been done, of course, most admirably first by Sir Robert when he introduced the legislation relating to the National Service call-up, and of course in relation to South Viet Nam itself, there have been statements of Government policy on that for many years since the situation worsened so seriously there. But I was thinking in particular of the operational service aspect and my interview was taking place in the open air after an aeroplane flight. I wouldn't regard it as any lack of competence on anyone's part, including my own, if the language emerged as a rather loose statement of what I was trying to put. But I think I can explain it perhaps clearly enough to you here. We have explained, in considerable detail, the need for a national service component with the Regular Army, and I will go over that ground again for you in some detail if you would wish me to refresh your minds on it.

MR. HOLT (Contd.) I don't think it is so widely known to members of the general public, and I don't think we are being assisted in making the need, the purposes, and indeed the limits of the National Service participation, known to the public by the campaign which is based on an appeal to emotions, even stirring the feelings, or running the danger of stirring some feelings of hysteria from the manner in which the Opposition has commented on these matters. It will have been noted that there has been no practical alternative proposed by the Opposition; even suggestion that we might have offered more attractive terms to people in the hope that they might volunteer can be, of course, answered by the facts of what we did. We did offer the most attractive terms - I think I am correct in saying that in the lower ranks of the Australian Regular Army, our servicemen are the highest paid in that ranking of any army in the world.

Q. Nevertheless, Sir, do you feel worried about the extent to which the Australian public are not adequately informed and are not responding in perhaps the way you might wish. This new dimension of our commitment.....

MR. HOLT : Well, when you say am I worried, I am naturally concerned. I am not lacking in faith and optimism that when the facts and the need and the limits of what is proposed are carefully explained in the detail that will be necessary and perhaps on the occasions in number that will be necessary, there will be the kind of response from the Australian people that will be consistent with the responsibility that they have shown in these matters in the past.

We have never been an isolationist people. We have recognised that our responsibilities in protecting freedom extend beyond our own shores, and indeed it is preferable to meet the challenge beyond our own shores if this can be done, but if I may go to this degree of explanation, I think that too many people see what is ahead in the terms of two world wars when Australia called for volunteers for expeditionary forces that were away from this country for long years in the period or in the course of that service.

Now, this is a very different situation that Australia faces today. We have a Regular Army with tasks allotted to it to meet the commitments, the obligations which Australia has undertaken. We have become an adult nation. We can't rest comfortably with the protection of the British Navy which we enjoyed about the period of the First World War, or just look to an automatic response say from the Seventh Fleet of the United States if we get into any trouble at any time. We can look confidently to the support of the United States of America, our tested ally bound to us by treaty in ANZUS and SEATO, but those treaties carry obligations for us as well as for our Allies, and I would not regard the response that we are making in South Viet Nam as excessive, having regard to our treaty alliances.

Q. (Scales of the "Advertiser") : Mr. Holt, do you consider that South Australian representation in Cabinet or the Ministry is sufficient to safeguard its interests? There is no representation in Cabinet and only one in the Ministry.

MR. HOLT: Well, this is so and it is a matter for regret for me as I am sure it is for South Australia, but while we do attempt to arrange the representation in the Cabinet on a basis which will secure some representation in each of the States, we also have to have regard to capacities and to the suitability of particular persons for the posts that we have for assignment to them. If you look a little more broadly at the matter, South Australia with the Speakership, the Deputy Whipship and a place in the Ministry, isn't without representation at the official levels of the

MR. HOLT (Contd.) Parliament. It so happens that at the moment you don't have a Member in the Cabinet. We would have liked to have included one on the last occasion, but I am sure that Dr. Forbes himself would not have that his own limited experience at that point of time would have carried the day for him against the very much more experienced members of the Ministry who are now in the Cabinet. That is one reason - in fact the principal reason why I arranged for him to take up the portfolio of Health rather than maintain that in the Army where he was doing a first-class job was that as Minister for the Army he was very much the Junior Minister operating under the general guidance of the Minister for Defence who was a Cabinet Minister. As Minister for Health he does have a domain of his own, and I am confident will show in that portfolio the qualities which will warrant promotion for him when opportunity offers later on.

Q. (Mrs. Nancy Buttfield of 5DN) : This morning, the Governor of the Reserve Bank is reported to have said that the economy was nicely balanced in the state of uncertainty. If you agree that uncertainty is good for public confidence and therefore for the economy as a whole, do you anticipate that more may need to be done to help the economy other than what you have already done in extra money for housing and extra money for drought and immigration?

MR. HOLT : I am not sure what you have said puts quite fairly for him what the Governor had in mind. As I tried to explain to someone who put a similar question to me earlier, if you think of a scale in balance, the needle can hover around the mark which says balance and in that sense there is a little uncertainty if it hovers backwards and forwards from that balance mark. And this is the sense in which I am sure the Governor was using the term. In other words, the economy at the moment was neither moving strongly into inflation or moving strongly into recession. It was in a state of balance with certain factors working through which could affect the pace of growth. If we have good seasonal developments, if there is finally a breaking of the drought on what looks like being an enduring basis for at least some time in New South Wales and Queensland, then there is enough steam in the economy to move steadily ahead. On the other hand, if there are adverse developments, then I think the Government which has really given stimulus at various points - its drought relief measures - measures which are small but of a useful kind in relation to housing - these things are just helping to keep the needle rather nicely balanced at the desired point.

Q. (Jeff Medwell of 5DN) : Some time ago, the Australian Government announced that it was sending more troops to South Viet Nam at the request of the South Vietnamese Government. Just recently the South Korean Government announced that it was sending more troops to South Viet Nam in exchange for more economic aid from the United States, and at the request of the United States. Can you explain why one country sends troops at the request of America and the other sends troops at the request of South Viet Nam?

MR. HOLT : I wouldn't imagine for one moment that South Korea would be sending troops unless it was with the approval, and I should imagine at the request of, South Viet Nam. There is nothing mysterious or unlikely about South Viet Nam which is so sorely pressed - it has over 300,000 of its own troops in the field - asking for help where help can be given. These matters are handled between governments on the basis of formality finally so that you don't have people imposed on one government against the will of that government. There was a clear understanding for some time that South Viet Nam would welcome whatever help could be given. Now, the South Koreans have every cause to be sensitive to pressures from Chinese Communism. They were within an ace of being overrun themselves. It was only by the most strenuous American resistance

MR. HOLT (Contd.) ~~with them~~ and very substantial American support that South Korea was held from a takeover by Communist China. I think that this is one of the influences affecting the decision of the Government of South Korea. It may well be that such decision imposed economic stresses on the Government of that country or the financing of the operation of their own troops imposed stresses on it. They might well have turned to the United States and said, "Will you help us economically if we are going to accept these burdens?" But I don't think I read too much significance into the fact that, on the face of it, we met a request, and on the face of it they supplied the troops apparently without a request. I am sure there would have been a continuing request which, in effect, is what we already have.

Q. Mr. Holt, what has to happen in South Viet Nam or in the vicinity of South Viet Nam before the United Nations steps in?

MR. HOLT : I would, of course, be very glad to see the United Nations step in, if it did so in a purposeful and effective way. It did so in the case of South Korea, but perhaps the issues are not so clear-cut in the minds of some members of the United Nations at this time. I think we must all recognise the political significance of the development of an Afro-Asian bloc in which Chinese Communist leadership played a very large part, and undoubtedly there are many members of the United Nations in that bloc who would not give support to any nation which seemed to be directed against Communist China. And I think this is the principal inhibiting factor. One other is, I think, the preoccupation of the countries of Western Europe with the problems of Europe. I had a European diplomat put it to me quite bluntly. He said, "You won't get the Western European countries at this time thinking of South East Asia. They are all too much concerned with trying to hang on to a species of unity in Europe."

Q. (Stewart Cockburn) : Even those, Sir, who are members of SEATO? Because Britain and France would have similar obligations to those of Australia under the provisions of the SEATO treaty.

MR. HOLT : The United Kingdom, of course, has been conducting its own recent Defence Review, accepting obligations in relation to the Indonesian confrontation of Malaysia which have required a very large build-up of British Forces in the area, far larger than they would intend to maintain subsequently in that area, so I think they feel they are making their valuable contribution. The Americans are doing a big job in South Viet Nam.

Q. The reason why I ask the question is that you are today reported as saying that the United States and other SEATO nations would probably consider it a serious disregard of our obligations if we were not actively participating in South Viet Nam. I am wondering how the fact that Britain and France are not actually participating as strongly as we are is explained?

MR. HOLT : Well, I repeat that the Americans know that the United Kingdom in addition to the obligations it has in NATO, has assumed very substantial obligations in the Malaysian area and, of course, the United Kingdom doesn't possess these days the economic strength, particularly in relation to external capacity that it had in an earlier point of time. I don't think that the Americans would feel that Britain wasn't playing a considerable and appropriate part where it is. But looking at the Australian participation, until we had made our recently announced decision, the numbers of Australians outside this country were not so very large and the contribution in that particular area was a comparatively small one. A very good battalion, but just one battalion.

Q. (Brian Taylor, Channel 7) : Mr. Prime Minister, it appears that some people feel very strongly about the lack of information on the Viet Nam issue, particularly in regard to our increased commitments. If in your mind the situation does exist, has anything been done to rectify it?

MR. HOLT : Yes. It's not that there has been either lack of action or lack of will to get the story over more widely, and we have looked to the Parliament in recent days as one of the most effective mediums for getting the Government's policy and intentions across, but even there it is hard to cover the story in the detail that you wish to do so in the time and the opportunities available. I spent 20 minutes last night and really didn't touch more than the fringe of the matter. I would have liked to have explained the attempts being made to secure volunteers, the fact that in none of the last three years did we have less than 9,000 volunteers coming forward in each of those three years, and in each of those three years we did not find more than 2,500 who measured up to the standards which the Army required. Now, when it was decided that we had to increase our force from say, 22,500 to 33,000 by 1967 to meet increasing dangers and problems which were seen in the area, our military advisers made it quite clear to us that you just couldn't get those numbers by the normal voluntary process. It was not a case of pay and conditions. Our re-engagement rate - this is not well-known - our re-engagement rate in the Army is at about the highest level it has ever attained. Our re-engagement rate is 70 per cent., and these are men who have done their full term of service, not National Servicemen, but career Army men, and people don't re-engage at that rate if pay and conditions aren't attractive to them. The rate has been as low as 40 per cent. Seventy per cent. is a high rate. So it wasn't that. In a fully employed society, you do find it difficult to attract young men to a Regular Army career. The National Service scheme was adopted as the fairest method. It only touches a fractional part of that age group. Only one in ten of the age group is called up and the proportion of those called up who will ever see service outside of Australia will be a very small one. So it is a relatively small proportion of that total age group.

Q. Getting back to my final question on Viet Nam, when we were up there last year, we found that morale was very high. The soldiers felt a certain disinterest from Australia, and they were also rather concerned about the anti-Viet Nam demonstrations. Has that in any way prompted your forthcoming visit to Viet Nam and other parts of call?

MR. HOLT : Well, it was frankly an influence in my decision to go there. It so happens that the particular battalion which is coming to the end of its tour of duty would be leaving that area at no distant point of time, and I felt it appropriate that this battalion which had brought such credit to Australia and distinction to itself should be thanked for its services if I could make the visit in that time, as well, of course, familiarising me in my present position as to conditions not only there but in several other posts where our troops are. But I agree that morale has been splendid and it is unfortunate that there should have been doubts created in the minds of these men serving so ably there that they didn't have wholeheartedly behind them the Parliament and indeed the Australian people as a whole. But I am sure that those who are serving do have the gratitude and appreciation of the Australian people and just as their morale is high, I am glad to say that the morale of those who have been called up, that also is high. They are turning out splendidly, and those that are later to serve in regular army units in any theatre of combat, I am sure will acquit themselves as well as the regular army men themselves.

Q. (Frank Kennedy of the "Advertiser") : We gather that you are interested in the Festival, Sir. Financial difficulties are holding up the building of a much-needed Festival Hall. Would you care to tell us, Sir, what would be the attitude of your Government to any request from the South Australian Government in this matter?

MR. HOLT : Well, it would certainly, of course, be carefully studied. Our interest has been shown in the general sphere of cultural developments by the Elizabethan Theatre Trust contribution and by the regular contribution we make to the Adelaide Festival. We don't make it to all city festivals I might remind you. We don't make a contribution, for example, to Moomba. We don't believe it has attained quite the same cultural level as your own, and yet I think there was a request for assistance for the Waratah Festival which also didn't attract Federal support. But I make the point that we have not been lacking in sympathy. Whether this is a matter which should more appropriately be financed by the people of this State from their own resources, or whether it is one which will justify some Commonwealth participation is a question which I would like to look at with the necessary documentation in front of me and some consideration of what we have found it fair and proper to do in similar circumstances in other States.

Q. (Len James of Radio 5AD) : Mr. Prime Minister, I would like to make a point of reference concerning the United States radio communication centre being built in Western Australia. I understand that the American partner or one of the American sub-contractors has gone through the hoop and left quite a number of private Australian concerns - small ones and large ones - with debts owing to them of some few dollars to tens of thousands. Does the Federal Government compensate these people or is the Federal Government conversing with the United States Government over these things?

MR. HOLT : This matter has been looked at, I know, by Ministers who have activities relevant to the episode to which you refer or to the events to which you refer. My colleague, the Minister for Defence has commented on it. He is very much better informed on it than I am, but I understood his general view to be that when one took into account the circumstances of the notification of people concerned in these matters that they have embarked on what might be fairly regarded as commercial risk and they could hardly expect the general body of taxpayers to carry the consequences of their own lack of provision or care in the matter. That is putting it as I understand it from what I have heard and read, but how far this matter is still before us is something I couldn't just answer off the cuff.

Q. South Australia has been asking for financial assistance for beef roads in the State's North. Is there any plan by the Commonwealth Government to supply financial assistance to cover freight costs for restocking the North?

MR. HOLT : You mean in relation to the drought? They are two separate matters really. On the first one, I would regard this myself as not being finally dealt with. There has been a request in earlier but the higher priority in what was not an unlimited provision of funds for beef road purposes has gone to roads further to the north, running across the top of Australia in Western Australia, the Northern Territory and Queensland. But the Premier does not regard it as a closed matter. I doubt whether the Leader of the Opposition would see it as a closed matter. For my part, I still regard it as under active consideration. I am sure we will be hearing something more about it, seeing there is a Loan Council meeting in June, if not before then. It may be that we will find it more appropriate to deal with it then than at this

MR. HOLT (Contd.) : point of time. On the second point, I have received a request. I did not actually see it but that might have been because I was preoccupied with other matters until last night. I do regard it as a matter which needs to be looked at quite urgently and I hope to get a reply to the Premier early next week. That's on the drought and freight assistance.

Q. During your arrival at the Adelaide airport, you must have found it uncomfortably crowded because I don't think it is possible for a plane to come in and not have that effect. Do you think that you could think very seriously in the future of giving us added facilities at our Adelaide airport.

MR. HOLT : Well, again I think I would like notice of that one because I am not sufficiently well informed. I must say that when one looks at the Canberra facilities, I think they rank about the bottom of any city which lays claim to that sort of title. I used to feel badly about it until having travelled overseas and being compelled to carry my bag through long interminable passages in these great glittering airports of other countries, I felt a little more kindly disposed to our more accessible terminals here. But all I know is that my colleague the Minister for Civil Aviation puts up a very costly programme of civil aviation works and I am sure that Adelaide would be justly dealt with by him out of those funds, but I can't say from my own knowledge much about it.

Q. (Ron Boath, Southern Cross newspaper) : Does the Federal Government plan any extension for aid to independent schools?

MR. HOLT : You mean additional to the provision that has been made? The origin of this matter, I think, is well known. In Canberra we took action to assist the schools there which were coping with a quite abnormal situation, and from that beginning we have extended our assistance in a manner which you were well aware of at the time of the last general election. But I am not aware of any proposal currently before us for any extension. I will be surprised if we didn't receive requests for further extensions, but it is customary to deal with these at Budget time, sometimes even at election times.

Q. (Jeff Medwell) : Do you believe that the new Indonesian anti-communist regime will result in a lessening of its confrontation policy in Malaysia?

MR. HOLT : Now, are we on the record or are we off it?

Q. I think so, Sir.

MR. HOLT : Well, I prefer not to say too much about that matter because none of us can be sure at the moment what attitude will emerge from this regime, but I am quite certain that it would not be very helpful to that regime for it to be felt inside Indonesia that this regime was going to abandon the confrontation policy.

Q. (Stewart Cockburn): Following up that question, Sir, is the Minister for External Affairs likely to visit Indonesia and take the opportunity to meet the new regime there and satisfy himself of the probable policies of the new Government?

MR. HOLT : What I have just said on the other matter has a bearing on your question, too. There is virtue in a little patience, I think, in this field. But as I indicated in the House yesterday, we have maintained even through the difficult confrontation period, a basis of friendship in our general relations with Indonesia. We wish to live in cordiality, as I said yesterday, with them. We certainly think that it is unfortunate in their own interests that a country with their tremendous natural resources hasn't succeeded in building up a considerable trade with not merely Australia but other countries of the area, and if the new regime effects some improvement in that direction, it would be welcome. But our interest in Indonesia is not primarily a commercial interest, and it is the interest that one neighbour has for the other, particularly when the other has a rather restless turbulent population of 100 million people.

Q. (Barry Tornquist of the "News") : How do you enjoy life as Prime Minister?

MR. HOLT: Well, I am enjoying it. I enjoyed life as Treasurer. I enjoy it in most capacities, as I think my friend Nancy would know. But I find it a very stimulating occupation. I think my only criticism of it is that it doesn't leave me very much time to behave as a human being.
