PRIME MINISTER'S TOUR OF SOUTH-EAST ASIA

Press Conference given by the Prime Minister, Mr. Harold Holt at Kuala Lumpur

27TH APRIL, 1966

Well ladies and gentlemen I didn't propose to make any extensive statement of a general kind because most of you will have had the statement I made for my visit here, which outlined where I've been, what the general purpose of the visit has been and our plans for the remainder of the tour.

You will have gathered that my principal purpose when I first planned this journey was to make contact with Australian troops wherever they are stationed in South-East Asia.

Indeed, from the time I took office as Prime Minister, this has been one of my most pressing priorities in my own view and I have taken what turned out to be the first opportunity, indeed made some rearrangements of plans to achieve this because Parliament is still in session and part of the explanation, the largest part, for the compression of this visit to so many countries into so short a space of time is to enable me to return to the Parliament for the remaining weeks of the session.

The visit, however, as we have gone along and as became fairly evident when we were planning the details of it with the Governments of the countries concerned, has developed into quite a considerable diplomatic exercise, quite apart from the purpose I've cutlined to you and it has been a most valuable experience to have had intimate political discussions in each of the countries I have visited with the senior political and diplomatic personalities of that country wherever we have gone.

I have already been to Vietnam where most of the time planned for the journey had been allotted.

We are, as you know, actively engaged in military operations in Vietnam in support of the forces of South Vietnam at the request of its Government and in association with the United States which has such massive representation there.

Not only was I able to make observations and have discussions on the spet, but it was an opportunity to make a fresh assessment of the prospects in that area.

I found them, I say very frankly encouraging as to the future.

There are some tough times ahead, perhaps for a long time ahead, but I'm sure that the Viet Cong cannot finally succeed in South Vietnam and with that knowledge, the South Vietnamese people themselves must be heartened to continue a struggle which has been for them a long drawn out crisis of so many years duration - nearly 20 years duration for many of those who have been actively in the fight throughout.

But with the massive assistance now available to them, with the encouragement and heartening effect of the knowledge that there are friends around the world willing to come to their aid until this task is resolved, there has been a lift in the morale of the Scuth Vietnamese themselves and as to our own troops, I found them in splendid spirit and well meriting the

high commendation which had been expressed often by all with whom we spoke.

But apart from the Victnamese situation, the visit to Thailand and to this country, and then later in Singapore, will enable me to have an up-to-date assessment on matters which are of mutual interest and concern to us in this area of the world.

We, of course, share your own concern with the continuation of the Indonesian policy of confrontation and our own assistance is continuing with your forces, the forces of the United Kingdom and New Zealand, in resisting this confrontation process.

what will emerge from the changes which have been taking place in Indonesia?

I think it wiser to defer judgment on that until there is clearer evidence that there has been some change of heart, or change of direction.

But, quite obviously, if judged merely on the number of people of Communist sympathies who have been disposed of violently in Indonesia, there is undoubtedly a strength of anti-Communist which, when the disorders can be finally suppressed, do open up some prospect of collaboration with the countries of the free world.

However, I think it not fruitful at this point of time to speculate at any length on what might emerge there.

Having said that, and with your knowledge that I will be visiting the remaining centres - Butterworth the Borneo points of interest to us and various other centres around this country, I think the most useful thing I can do for you at this point is to ask if there are questions which occur to you on which you would like an answer.

I can't guarantee to answer them all, because, on domestic matters I am, as you will appreciate, a guest of your Government in this country and it's not usual for those so situated to comment on matters of domestic political concern.

QUESTION: (By Straits Echo and Indian papers)

Mr. Prime Minister, you said you would make a fresh assessment in the area, that is Vietnam.

In the light of your assessment, is there any likelihood that you will increase your military assistance and presence in Vietnam?

MR. HOLT: The Australian assistance has already been publicly indicated.

It was made in the light of considerable knowledge of what the situation is there.

It represents a trebling of our existing force in that area, something more than a trebling of that existing force, and you must have in mind that Australia has commitments and obligations, or even in the absence of commitment or obligation, is making a military assistance in other parts of South-Fast Asia.

I've already mentioned what we are doing in relation to this country.

Me have certain responsibilities in respect of Papua and New Guinea which enjoys a common border with Indonesia, and the arrangement, so far as our own troops in Vietnam are concerned is that their tour of duty will be approximately 12 months.

So we will need to have replacement forces for the troops in that area.

In order to meet all these different tasks and obligations, we have found it necessary to introduce a system of national service, and so, at this stage, I would point to what we have already undertaken to do.

I have said in Parliament that the Government reviews from time to time the contribution that it is making, either overall or in a particular situation.

But the strength of force which I have indicated to you is the only decision which the Government has taken on this matter and relates to at least the foreseeable future.

Q. (Local Rep. AAP Reuters)

Can you tell us what were the topics of your discussion with Tun Razak today?

MR. HOLT: We had a talk which has ranged over quite a wide area, but as Tun Razak commented to me, we don't have problems between each other, we have matters of interest.

Te have one or two matters of mutual concern, but the relations between Australia and Malaysia are very friendly relations.

We co-operate in a number of fields.

which he was good enough to say were of help and much appreciated by him and his Government.

But naturally, we had some discussion on the Indonesian situation.

I did give him an account of my own impressions of the situation in Vietnam.

I was particularly interested in what your Government is doing in the field of rural development, because we firmly believe, and this is true of the Government of South Vietnam, of the American authorities there, or our own advisers, that considerable contribution to military success, and a continued stablilty in South Vietnam will be the amount of energy and purpose put behind the programmes of civil action or revolutionary development as they call them.

This would supplement the military effort in much the same way as in the days of your own guerrilla activity where it was found necessary to support with economic and social welfare programmes.

Q. (Straits Times)

Sir, in view of your commitment in Vietnam, what are the chances of Malaysia getting extra troops in case she asks for them?

Extra Australian troops.

MR. HOLT: Well, I think this would have to be viewed against the total range of our commitments, but I believe that the forces currently available are adequate to meet the military requirements of the current situation.

I don't think it's likely to worsen.

Whatever view one takes of the situation in Indonesia, I frankly don't think the military situation is likely to worsen.

There may be some prospect even of improvement, but I don't dwell on that.

Q. (A.B.C.)

How does Australia view the friction which exists between Malaysia and Singapore?

Has this been part of your general discussions here?

MR. HOLT: Naturally we, as friends of both Malaysia and Singapore, are interested in the continuation or establishment of good relations on a firm basis between these two areas.

Quite obviously it has an importance in our own eyes for military co-operation, and the successful progress of trade between our countries.

The economic well being of Singapore has a bearing on the economic well being of Malaysia and vice versa.

For our part the economic well being of two friendly countries has some concern for us, certainly a very real interest for us.

But these are problems which, quite obviously, have to be worked out between the two Governments of the areas concerned.

It's not for us to try to meddle in what are the domestic affairs of those two Governments.

Q. (<u>Far Eastern Economic Review</u>)

Sir, looking for a change of heart or change of direction in Indonesia, would you regard Indonesia's offer of recognition of Singapore as a change in direction?

MR. HOLT: I think it could be.

I know it was accompanied by some reference to an increase of confrontation against Malaysia, but the situation there is capable of the interpretation that the generals are proceeding gradually.

I don't think it is helpful to the situation generally for us to try to pursue the possibilities in public debate.

I would prefer to see how these things work out.

Q. (Far Eastern Economic Review)

Sir, you spoke of the Viet Cong: they cannot finally succeed. I think were the words you chose.

Were you referring to the situation militarily or politically or both?

MR. HOLT: I would say both.

I'm certainly confident that they will not succeed militarily.

I don't mean by that that they won't do damage here or there, or be a serious military problem perhaps for some long time., but I do believe the military strength which has been built up is so massive and is being so well applied, is being supplemented by well thought out schemes of civic action and rural development, that the Viet Cong are not going to achieve the objectives that they have set for themselves.

It may very well be that, as they find the military situation becoming more difficult for them, they will either revert to more of the guerrilla type activity which marked their earlier phases of operation, or they may - it's not a question of or, in an exclusive sense, - "and" they may, "or" they may, whichever way things work out, turn their attention increasingly to the political situation and with so many different groups and different sects, different interests, there's a fertile field for trouble making.

The other possibility too, which I think has to be thought about quite seriously, is that the Communists may shift front to other areas of South-East Asia and there are some signs that they have been moving in other directions, particularly Thailand, Laos.

This could be intensified.

Q. (<u>Straits Times</u>)

There have been reports that because Singapore and Lalaysia have been unable to draw up formal machinery for defence arrangements, Australia has found it difficult to put forward some kind of defence plan for Singapore.

Are those reports true, or have you anything to say on that?

MR. HOLT: So far as I am aware, our plans have been going ahead.

It may well be that because of the lack of an agreed defence arrangement between the two countries, that there has been some delay in completion of the plan, but I wouldn't be speaking in any critical tone of that.

Indeed, I would find this matter more closely in the province of my colleague, the Minister for External Affairs, or

possibly the Minister for Defence.

But quite obviously the closer the teamwork, and the relationship, the collaboration, the friendship between Malaysia and Singapore, the more advantageously we believe this operates for all of us who have common interests in this area.

We certainly don't wish to complicate the problem of either negotiation or mutual discussion by including views which may not necessarily be welcome views.

We watch with a sympathetic interest the efforts which both countries are making to establish a cordial and co-operative relationship.

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