Prime Minister Ky and members of his government met with the Australian Cabinet this morning.

The Prime Minister, Mr. Holt, in introducing Air Vice Marshal Ky paid a special tribute to the leadership the Prime Minister had given Viet Nam at a most difficult time in its history. He expressed the hope that the visit of Air Vice Marshal Ky and his Vietnamese colleagues to Australia would further strengthen the good relations existing between Australians and the people of South Viet Nam and promote a fuller understanding of the dangers and difficulties the Government of South Viet Nam faced, and the progress being made in overcoming them.

Air Vice Marshal Ky thanked the Australian Prime Minister and Government for the opportunity given to visit Australia and meet personally with Australians in their own country.

Prime Minister Ky outlined the progress his government was making on all aspects of the development of stability and progress in Viet Nam. He reported on steps taken in South Viet Nam since the Manila Conference to implement the policy of the clear-and-hold operations of the South Vietnamese Army and reported the encouraging improvement in the overall military situation. The Vietnamese representatives explained in some detail the programme for developing administration within the newly-liberated areas in order to render them secure and ensure their social and economic progress.

Air Vice Marshal Ky thanked Cabinet on behalf of the Government of Viet Nam for the action taken in sending Australian servicemen to Viet Nam and expressed the gratitude of the South Vietnamese people for the various Australian measures of economic and technical assistance, including Colombo Plan, the SEATO Aid programme, the Army's civic action programme and the work of voluntary aid, and particularly the work of Australian surgical and medical teams. The continuing needs of the population were described.

Prime Minister Ky outlined to Cabinet the advances made towards the establishment of a new constitution for South Viet Nam.

The Prime Minister, Mr. Holt, informed Air Vice Marshal Ky that the Australian Government was encouraged by the Vietnamese report and confirmed Australia would continue to give practical assistance and support to the efforts of the Vietnamese Government and people to establish peace and stability in Viet Nam. An open door was always left for negotiations with the Government of Hanoi, and the Prime Minister noted that the policy in this respect, outlined at the Manila Summit Conference, would continue to stand in the future. The Prime Minister thanked Air Vice Marshal Ky and members of the Vietnamese Government for their review of the situation in Viet Nam and expressed the hope that they would enjoy a successful and happy visit in Australia.

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