



PRIME MINISTER

SOUTH-EAST ASIAN VISIT
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Good Evening:

As Prime Minister of Australia, I believe it is my duty to report to you about my recent mission to Indonesia, Singapore and Malaysia.

My purpose in going was to discuss a wide range of issues of national and international importance, flowing from the recent dramatic changes in world affairs. I also wanted to strengthen the confidence and goodwill between Australia and these three neighbour nations.

A glance at the map will show how close and important they are to us. We have growing trade and economic ties with them. We want to promote their development and economic growth in our and their long term interests, and we have a common interest in the peace, defence and security of the environment in which we live.

So I thought it was an opportune time to go because so many changes have occurred recently which vitally affect the future of our country. President Nixon's visits to Peking and Moscow have reduced tension between the great powers - the United States, Soviet Russia and the People's Republic of China.

But the dust has not yet settled and the outcome cannot yet be clearly seen in the Asian theatre.

We do know that despite the great power accord, North Vietnam is still invading South Vietnam. Many countries in our region are under internal threat by subversive elements supported from outside, and there is increasing competition between the Soviet Union and China for political influence. All this means that the prospects for peace and stability in South-East Asia are still uncertain.

If we are to improve these prospects for the future, we must work together to strengthen our economies to become more self-reliant and to strengthen our defence capabilities.

During my visit, I talked at length with President Soeharto of Indonesia, Prime Minister Lee Kuan Yew of Singapore, Prime Minister Tun Razak of Malaysia and with many of their senior Ministers.

Now let us look at each of the three countries I visited.

Indonesia is a country of one hundred and twenty million people. It is a few hours' flight to our North and is our nearest neighbour. It is the fifth most populous nation on earth and the only foreign country with which we share a border.

In the last few years it has made a remarkable recovery from near anarchy. Substantial assistance was given by us to Indonesia during this period, and it is in our own interest to continue to do so.

With President Soeharto, I mapped out a programme for co-operation in economic, cultural, defence and political matters over the next few years. I was able to tell the President that the Australian Government had decided to make a new three-year grant of \$69 million for economic aid up to June 1976.

As well, our three-year programme for technical and defence assistance to Indonesia will be increased to help build up its capability to defend itself. We will provide 16 Sabre fighter aircraft and we will help the Indonesians equip a military airfield as the base for them. We are willing to carry out exercises between our two Navies. We also agreed to consider ways of expanding trade and increased investment by Australian companies there.

In the busy, progressive island nation of Singapore, there is great warmth towards us. As the Prime Minister, Mr Lee said to me - "This isn't the time to be changing friends."

Singapore, as you all know, has strong traditional ties of friendship and many common interests with us. They want to co-operate in all kinds of ways.

For twenty years now, some 1,000 Singaporean students have been studying each year in Australia. And Australians are visiting Singapore at the rate of over 80,000 a year. \$150 million worth of trade is exchanged between us each year. This trade is very much in Australia's favour - so our two Governments will be looking at new ways and means of helping Singapore to expand its trade with Australia.

A battalion of our Army and other elements of our armed forces are stationed there. They will stay there whilst they are wanted.

Our talks showed how close are our interests and our views on the present world situation and particularly on South-East Asia and its problems. We both want a negotiated settlement in Indo-China that will enable the peoples of South Vietnam, Laos and Cambodia to determine their own future without outside interference.

It was emphasised whilst I was in Singapore how helpful and stabilising was the role Australia is playing, and how much it contributes to building confidence and the prospects of development in the future.

My last three days were in Malaysia. In Prime Minister Tun Razak's words :- "We have been allies in war and peace. And good steady friends for a long time." This is true.

We are partners in the Commonwealth and we are linked as partners in many other ways. There are over 6,000 Malaysian students in Australia today - more than from any other country.

Malaysia has its Second Malaysia Plan - a national economic programme designed to accelerate economic activity and progress for the Malaysian people. It is an ambitious plan in which Australia is closely interested and involved.

Malaysia is also one of the principal supporters of what is known as the Kuala Lumpur Declaration by members of ASEAN - that is, the Association of South-East Asian Nations. The Kuala Lumpur Declaration is a proposal that South-East Asia should be a zone of peace, freedom and neutrality.

Australia is not a member of ASEAN but we have good relations with all its members. The goals set out in the Declaration are fully consistent with my Government's policies - if effective international guarantees can be obtained. And I told Tun Razak we welcomed the Declaration as an important regional initiative.

I believe our discussions on the Declaration and the Five Power Defence Arrangements have deepened our understanding of each other's policies.

I discussed the Five Power Defence Arrangements with both Malaysia and Singapore. These Arrangements are working smoothly. They will remain in full force and effect. I can assure you our forces are welcomed in both countries.

While I was away, there was some confusion here about the attitude of Malaysia to the Five Power Arrangements. Let me state the position in the considered words of the Prime Minister of Malaysia :-

"The continuing presence of Australian Forces, both land and air, in Malaysia-Singapore in the context of the arrangements is welcomed by the Malaysian Government and contributes to defence and confidence in that area."

Those were his words.

There are no differences whatsoever between Australia and Malaysia, or between Australia and Singapore, under these arrangements.

The mission was widely and accurately covered by the local newspapers and television in Indonesia, Malaysia and Singapore. The editorial comments were complimentary and reflected real warmth towards Australia and Australians.

Looking back, I am sure the mission was a success - and did a great deal to promote our friendships and our standing among our Asian neighbours. I believe our mission achieved its objectives - that we are welcomed as friends and our policies are a helpful and stabilising influence in South-East Asia.