

PRIME MINISTER

22 FEBRUARY 1979

from the Press Office

Summary of ABC's "Newsvoice".

A Vietnamese deputy foreign minister has told newsmen in Hanoi that the Chinese are gearing up for a bigger attack. Vietnam is reported to have acknowledged the loss of Lao Cai, a provincial capital which fell to the Chinese on Tuesday. Since capturing Lao Cai, the Chinese have pushed another 8 kilometers down the Red River towards Hanoi, 28 kilometers inside Vietnam.

On the eastern fronts, heavy Chinese attacks threaten the provincial capital Cao Bong and Lang Son. Vietnam is said to have deployed one regiment to the Northeastern front. China's invasion of Vietnam has drawn sharp criticism from the U.S. Senate Foreign Relations Committee.

In major review of affairs at home and abroad, the Prime Minister told Parliament today of his concern about events in Vietnam and other world trouble spots. Spoke optimistically about Australia's economic prospects in the year ahead. Report from Duncan Fairweather on Prime Minister's speech. Mr. Fraser interviewed.

...Leader of the Opposition, Mr. Hayden, shared Mr. Fraser's optimism about Australia's economic prospects, but not the policies the Government was employing to realise them. Mr. Hayden interviewed: "There is plenty of room for optimism about this country. It is a great country, great people, enormous resources potential and we have risen to great heights through the diligence and intelligence and creativity of our people, but they need the right sorts of policies and what I've been saying is that we need a change of policy to make sure it is an optimistic year. As I pointed out in the Parliament today, there are a very long list of similar statements from the Prime Minister, right from 1975 on. They have yet to be fulfilled. The latest statements on what the Government is doing with interest rates and the supply of money from the banks and so on indicates that things are going to be a bit tighter".

Figures released today showing food prices soared in January. Food group index went up by average of 2 percent in Australia's seven capital cities, the highest monthly increase for 18 months.

The largest manufacturing sector in Australia, the Metal Trades Industry, today released a survey indicating increased business confidence. Survey shows employment in the metal industry is stabilising and predicts moderate to substantial improvements in general business and employment for the remainder of the year. National Director of the Metal Trades Industry Association, Mr. Ken Fry, interviewed.

Federal Opposition has accused the Government of misleading country people about the benefits of a domestic satellite. Senator Susan Ryan said today the Government was promising more than it could deliver. Senator Ryan interviewed.

New York, detectives are blaming gang fighting over the control of illegal drug sales for murders of seven people. Is biggest murder incident in New York's history.

---000---