

PRESS CONFERENCE GIVEN BY THE RIGHT HONOURABLE
SIR ROBERT MENZIES, PRIME MINISTER OF AUSTRALIA,
AT PARLIAMENT HOUSE, CANBERRA, ON MONDAY, 30TH
SEPTEMBER, 1963 AT 5 P.M. ON THE OCCASION OF THE
VISIT OF THE PRIME MINISTER OF JAPAN, MR. H. IKEDA

PRIME MINISTER : Perhaps before questions are put, I just ought to summarise today by saying that I had a little talk this morning with the Prime Minister. We then went into the Cabinet room where I had ten or eleven Ministers to meet him. We had a very interesting and valuable private discussion with him which I think we all enjoyed very much and this afternoon, after one or two visits that the Prime Minister had to make, I have just had an hour and a half with him again and we finally settled the terms of a communique which will, no doubt, be distributed quite soon. All of these discussions were very useful. I think I would sum them up by saying that the position of Japan in the Western Pacific and down here in the South-West Pacific is increasingly important. Japan is not only a very powerful country and growing stronger, with considerable economic development and great talent, but is a free country, with a democratic system of government and I believe, and we believe, increasingly important in this section of the world. Quite important anywhere in the world but particularly important because if you take the free countries on the eastern littoral of China, then quite plainly Japan has the greatest strength, the greatest influence and, we think, is approaching all these international topics in a genuine spirit of goodwill and this is warmly reciprocated here. This visit has given us, on both sides, an opportunity of restating it and being able to say quite honestly that the relations have grown in strength and in genuineness.

(This was translated by Mr. Matsuoko for the benefit of the Japanese press party who were present)

QUESTION : I represent the Asahi Shinbun and am very grateful that you are giving us this conference today, Sir. I have two questions to ask. The first concerns Malaysia. Prime Minister Ikeda has expressed the view that a summit conference with the leaders of Malaysia, Indonesia and the Philippines, could help stabilise the position. What do you think of the practicability of this idea?

P.M. Well, I'd prefer not to say anything very conclusive on that matter. The Prime Minister himself developed that notion with us today very clearly. There are problems, of course. For example, if there were to be a summit conference, presumably it would be between President Macapagal, Soekarno and the Tunku. Would the Tunku be there as the Prime Minister of Malaysia? Presumably he would. I can't quite see him attending in any other capacity. If so, it would seem to me that one advantage of such a conference would be that it would involve a recognition on the part of the Philippines and Indonesia of the existence, the genuine existence of Malaysia, which would be a step forward.

P.M.
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But I don't profess to know what the Tunku Abdul Rahman has in his mind. I can quite imagine that he feels that the existence of continued threats to Malaysia, either by way of what is called confrontation or by active incidents along the frontier, are perhaps rather inconsistent with a peaceful negotiation around the table. On the other hand, of course, he may very well say, "There is nothing I'm not prepared to discuss, because I have no ambitions to serve except to preserve Malaysia and encourage it and enable it to go on and be prosperous and successful. But we are on the sidelines here. We don't decide these matters. If you were to say to me, "Is it a good thing to sit around a table and have no hostilities outside?", then of course that would be a very easy one to answer. What is really needed over the whole of this matter is that threats should come to an end and that it should be recognised that you have now three groups of people - the Philippines, Indonesia and Malaysia - all of them anxious to go on with their own business, I hope, and to be prosperous and to raise their economic standards, and all of them, I would hope, willing to live in peace with the others. So stated, it is simple enough. If a conference can contribute to such a result, then it is a good thing, but I have had a long experience of conferences and I must say that I usually like to have a bit of work done first before the conference begins so that it is possible to discover whether there is a reasonable prospect of arriving at some useful conclusion. That doesn't mean I reject the idea; it merely means that I am not just automatically putting my stamp on it.

QUESTION :

You have said that it is generally acknowledged that there is a growing goodwill between Australia and Japan and a great growth in trade. It is recognised that this should be pursued and expanded. Have you any positive ideas as to how this might be done in the future course of development of goodwill and further expansion?

P.M.

I think that this will come by inevitable circumstances. We had a little talk about that this morning. There is no doubt about it, we are very large traders with each other today. There is a very substantial balance of trade in favour of Australia because of the nature of our exports. We are all agreed that this trade will develop. It will go on expanding. It will reach greater and greater proportions as time goes on. This is inevitable because of the pattern of the trade between us. We produce and sell things that Japan needs and Japan is going through a rapid phase of economic development, the national income is rising, its capacity to buy things that we produce and sell will rise and, of course, inevitably there will be some increase of trade both ways. I don't think that anybody expects that the trade between Japan and Australia can be brought into balance in a hurry if at all because of the nature of what the trade is. We are sending things to Japan like wool, wheat, and foodstuffs which Japan needs and which, to that extent, she is not producing herself. Japan sends to us manufactured goods and we are, of course, a substantial manufacturing country ourselves, so that the problem is not just a simple mathematical one. But we all agree - the visiting delegation and ourselves that all the prospects are that there will be steady increase in the already substantial volume of trade between the two countries.

QUESTION : Australia, like Japan, is an anti-Communist country. However, Australia has in the past few years exported a very large quantity of wheat to Communist China. Do you intend to continue exporting wheat in this volume and do you consider this has any relation to political attitude to Communist China and, in particular, to the question of whether Communist China should be admitted to the United Nations?

P.M. Well, that is a group of questions. In the first place, I imagine, I think rightly, that Japan does not have any artificial prohibition of trade with Communist China but, like ourselves, she abstains from exporting strategic goods. So do we. It is quite true we have sold, in the last two or three years very large quantities of wheat to China and we are quite prepared to carry that on. We grow a lot of wheat and we like to sell it. We eat some of it inside Australia and we sell the rest. Yes, we will go on selling wheat to Communist China under existing circumstances. This doesn't have any effect on whether we recognise Communist China diplomatically or not. We don't. It has no bearing on whether we would support the seating of Communist China in the United Nations because we have not supported that. We think that there are very high political reasons for those policies but they don't in any way cut across ordinary relations in matters which are not the subject of strategic importance.

QUESTION : Can you give any indication at this stage of the timetable for the restricted trade practices legislation?

P.M. Well, it is not yet in the form of legislation. As you know, a general description of the ideas was made in Parliament. It was done deliberately to expose it to criticism over a considerable period of time. There have been many criticisms, some destructive and some constructive. As I said recently, the best ones that we had, we had recently from the spokesmen of the Manufacturing Industries Advisory Council and those matters are now under consideration. But when Cabinet has given consideration to those ideas, then for the first time will it be possible to put what proposals emerge into legislative form. That is not something that may be expected in the matter of a few weeks.

QUESTION : Sir Robert, talking of timetables, could you give us a timetable of any plans you might have for an early election?

P.M. Well, that I am proposing to have an election is beyond all doubt, but when, I don't know.

QUESTION : Is there any justification for having an early election?

P.M. Oh, I think I could justify an early one, a medium one, a late one. Anyhow, it is all right. There is nothing hidden that shall not be made known.

QUESTION : Was there any significance behind the decision to defer a decision on the choice of the new bomber?

P.M. Oh, no. We have had an evaluation team overseas. It came back. It produced a great deal of material - massive material. This matter has then been put into examination by the Defence Department as a whole and I expect that the next Cabinet or perhaps the one afterwards will get the result of that examination. There is no significance in what you might think

P.M.
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to be delay. There was bound to be some time because this is a vast matter, running into very significant defence ideas and also into a great deal of money and therefore we want to feel perfectly certain that when we make a decision it will be the right one. That's all.

QUESTION : Did you discuss defence co-operation with Mr. Ikeda, Sir?

P.M. No.
