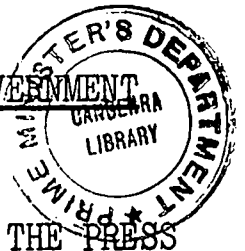


PRESS BRIEFING FOLLOWING P.M.'S STATEMENT ON GOVERNMENT
POLICY



INTERVIEW GIVEN BY THE PRIME MINISTER, MR. HOLT TO THE PRESS
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MR. HOLT : Gentlemen, my principle purpose in asking you to come together with me this morning was that after such a lengthy statement covering so much ground, I thought there would be a fair amount of fill-in required. Some of you may feel that you wanted some amplification at various points, so I didn't bring you together to make another long speech, but to be available to clarify where that seemed desirable. And so unless otherwise indicated, I think what arises here is clarification from me.

Q. Mr. Calwell, Sir, has asked for a referendum for conscripts that are being sent to Viet Nam.

MR. HOLT: A referendum? I don't think Australia has found a referendum a satisfactory way of resolving issues of this character, and the Government is fully conscious of the responsibility it has exercised in coming to its decision. What I should point out is the significant difference between the situation which existed in the wars in which a referendum was held and the disposition of our forces on this occasion. At that time, the issue was whether a man was to remain in the army, in effect, for the duration of the conflict which, in the result, in both world wars, was spread over a considerable number of years. In the case of the National Servicemen, who will go abroad for service, most of them have the best part of twelve months' training in Australia before being posted abroad and their total period of service is two years, so that those posted to, say, South Viet Nam, would not be likely to be required to serve for longer than approximately twelve months in that particular posting, by which, in most cases, they would have reached the end of their required period of service.

Q. Doesn't the Defence Act give the Government power to extend their period of service in certain circumstances?

MR. HOLT : That is subject to correction. I think that is in the case of defence emergency, isn't it? Or a declared defence emergency.

Q. Mr. Holt, in your opinion then, the test of public opinion will be at the next election.

MR. HOLT (Summing up) : It is my view that a referendum certainly would not be a satisfactory method of dealing with a situation of this sort. Is the referendum to relate solely to the situation in South Viet Nam? Would Mr. Calwell see the discharge of our commitments in Malaysia in respect of Indonesian confrontation in Malaysia or any action we might find it necessary to take for the security of New Guinea in the same light. I think Mr. Calwell's rather hasty statement on this matter reflects the woolly-mindedness of the Opposition generally and its evident division on the issue in South Viet Nam and what should be done about it, which I thought became clearly apparent as my statement proceeded last night. It was quite obvious to me that there were many members of the Opposition discomfited by the alacrity with which Mr. Calwell persisted in his view that this is a civil war which is being fought in South Viet Nam, ignoring the deeper significance and the wider ramifications which I spelt out in some detail.

MR. HOLT : I welcome that, Frank. I was about to say something to the effect that while the issue is not one appropriate for decision by referendum, the Government having accepted responsibility for its decision, will at no distant point of time be required to answer to the Australian electorate for its actions. I am confident that faced with the situation in which we find ourselves, the Australian public will continue to give us its firm support.

Q. Was the engagement of servicemen for Viet Nam inescapable?

MR. HOLT : We think so if we are to deal effectively with the total defence situation. Australia has a variety of commitments and we wish to so organise our affairs as to maintain the nation in the necessary economic strength to back up our military and aid effort. This has appeared to us to be the most effective way of going about the business. No-one could seriously argue that the inducements to men of the desired ages are inadequate. I think we now can claim to have the highest paid army - of men of lower ranks anyhow - engaged anywhere in the world. The last time this matter came under my notice, our men of the lower ranks were being paid more than their opposite numbers in the army of the United States.

Q. Can you give us a break-up, Sir, of how this 4,500 men will be made up?

MR. HOLT : Well, I tried to get some detail on that for you. We had this material, of course, before us. I may say we went over this decision, or at least we had extensive discussions leading up to it over a considerable period of time. This hasn't just happened since, say, Vice-President' Humphrey was here. One of the earliest items of business of the new Government was to consider what should be done further in the defence field. Apart from that, there were of course, reviews going on of one kind or another almost continuously before the end of last year, and one of the factors which influenced our decision was that a force smaller than this would not have enabled Australia to operate its own unified command under Australian leadership and direction. If we had sent, for example, another battalion, it wouldn't have been located with the battalion corresponding to that one already there. The composition of the American force, the need for logistic arrangements and for specialist troops would have debarred an additional battalion to be placed in another United States regiment, but by a decision to send a force on the scale that we have, our troops are enabled to conduct their own campaign as a unified Australian command, with their own specialist services and with this special SAS force accompanying them, so that it should be an extremely effective body of men, and in our judgment the most effective military contribution which Australia could make at this time. Now the question naturally

MR. HOLT (CONTD.) arises, "Can we make these troops available, and at the same time be ready to meet our other commitments" and our military advice is "Yes we can." Have in mind although the numbers may seem large to some, they seem small to others. You have to keep in mind what I said at the outset about the rotation process and that as one force moves out, we have to be in a position to move in a force of equivalent strength. The battalion there will, as I think I indicated yesterday, be relieved in June. When the members of the proposed Task Force have completed their period of service, then they too will be replaced. You could conceivably have a situation if it became necessary to take some precautionary action, say in New Guinea, you would turn to some of those who had been on a tour of duty in South Viet Nam, some time after they had returned to Australia, but it would be, in all probability, a very different kind of situation that they would have to cope with up there. Anyhow, this follows the recommendation of our own Service advisers. It is their considered judgment that this was the most effective military contribution that Australia could make and that it was within our capacity to make it.

Q. Have you selected the commander of the new force yet?

MR. HOLT : Just before I leave that point, the 4,500 is the overall total and includes all services, not merely the military service. The command? Well, others will have to give you that answer. . . . Either Fraser or Alan Fairhall.

Q. Has he been selected yet?

MR. HOLT : Well, he is not known to me anyhow.

Q. Sir, the 4,500 seems a bit high when you consider that only two infantry battalions are going.

MR. HOLT : Well, there are all these others. Apart from the R.A.A.F. elements, there are the advisers who were formerly there, ^{there} are the specialist services, signallers and people of that sort, artillery elements. They are not just infantrymen. And this specialist squadron. But this is what it totals up to. I am not, of course, a military expert. Our Minister for Defence and our Service Ministers can give you more detail, but I was, of course, a party to all the discussions at which the Service Chiefs were present and concerned with the strategic aspects and the relativity of the effort here to what we were doing in other theatres. Remember that we are building up our own forces all the time. One reason why our contribution was on the limited scale which occurred at the outset was derived from the need to use some of our trained Service personnel to give a hand in the training of those coming into the army, but as we go along, so we are building up our numbers and our strength.

Q. Bearing on the point that you have made, Sir, that this will be a self-contained force, Mr. Fraser in the House last night said that you might make an arrangement with the Americans for the detention of Australian offenders. Would it be desirable to turn Australians over to some other.....

MR. HOLT : Well, I don't think we are in a position to give a final reply on that episode. I would hope that we don't over-sensationalise this thing. It is not an episode..... I confess to having been very much concerned by my first reading of it and I think one does have to take into consideration not only the seriousness of the offence which in that kind of war in that type of area does assume a major seriousness, but also the circumstances in which the troops are operating there. The Commanding Officer has acknowledged that he was in error in his understanding of the manner in which punishment should be applied but my mind is easier on this matter because I know that it is under the personal consideration, not merely of the Minister, but of a very experienced and capable Army leader in the person of Lieutenant-General Wilton, and I have sufficient confidence in his experience and judgment to feel that this matter will be dealt with in the most appropriate way from now on. I think that it is greatly to be regretted that the episode should not only have occurred but the publicity which understably attached to it could, I think, give a misleading picture or a distorted picture to the Australian public of what has been a magnificent force which has brought great credit to Australia and has been generally recognised as the most effective and highly disciplined fighting unit to be found in South Viet Nam;

Q. Mr. Holt, you said that the Service Ministers can give us the details after. Is there going to be some form reversal and they will give them to us?

MR. HOLT : I will advise my colleague, Mr. Fairhall. It is not my purpose to take over the functions of the Minister for Defence. I wanted to supply some additional information if that were necessary but if you do want to go into the more technical aspects on the defence or service side, I think it would be appropriate for Mr. Fairhall to have that discussion with you,

Q. Mr. Holt, with this increased force, will Australia have a greater say in strategy, in general policy?

MR. HOLT ; I wouldn't ask really for a stronger Australian voice than we possess at the present time. The United States and South Vietnamese governments have been highly considerate of us in the weight they have attached to Australian opinions not only in Service matters but in relation to the policies to be followed generally.

Q. Sir, can you reconcile for us the apparent inconsistencies between this decision and what you said before Mr. Healey's arrival about Australia not being able to incur additional Defence commitments?

MR. HOLT : I regard what we are now incurring as being manageable within the balanced programme for the nation that I envisaged at that time. Before we had our talks with Mr. Healey, it was not clear what was to be proposed by him. There had been in quite influential quarters in the United Kingdom proposals for a complete withdrawal of the United Kingdom East of Suez and if this had occurred, then I could foresee burdens resting on Australia which we would have found difficult to meet while at the same time pursuing a considerable programme of development. What I have been putting publicly and to the representatives of other countries is that, taking a not so very long view, it is in their own interests that Australia should continue to expand, to build its strength, its capacity to supply a greater military contribution, a greater aid contribution in the period ahead. However, I believe that what has now been decided is in no sense inconsistent with the general view I was holding. I am confident that we can sustain a defence effort on the scale contemplated and at the same time press forward vigorously with our development programme. The cloud over us, of course, is this drought aspect, and it is a characteristic of drought that nobody can tell how long it will last or how widely its influence will be spread. The remarkable thing, I think, for most of us who are old enough to have remembered earlier periods of drought is how well we have come through the circumstances of this one with relatively little dislocation to the economy as a whole. We may not yet have experienced the worst of it by any means, but it does demonstrate how much more highly diversified the Australian economy is and how much better able we are to contend with the unfavourable conditions in one area of Australia because we have strengthened our situation in another. Last year, for example, while we were getting a poor return from wheat crops in New South Wales, they had a record wheat production in Australia. But I was rather surprised at the tone taken by one or two of the financial commentators. I thought if you studied the text closely enough of what I said on the economic side that we were giving quite a number of indications of directions in which the economy required that assistance, then further assistance would be forthcoming, housing being a case in point. Then there were the references to export incentives, proposals for research and development, other matters of that sort which were not unimportant.

Q. Mr. Holt, any development in your plans to go to Viet Nam?

MR. HOLT: No, Harold, I am keeping in my mind a particular period as the best possibility, but I would prefer not to discuss that at the present time. On the one hand, there is a quite crowded programme leading up to Easter. The week of Easter we have the Queen Mother here. The following week we have a gathering of the Inter-Parliamentary Union.

Q. How long will you go after Easter, Sir?

MR. HOLT : The Session? I should think a run of about four weeks, but it may need to be longer. I am hoping to avoid having to leave it until the Session ends. It may be I have got to take up portion of the Parliamentary time to do this, but I would see a visit of something just under a fortnight as probably being about necessary.

Q. You wouldn't fly in with the troops, would you?

MR. HOLT : Well my problem will be to get to a number of different points because I certainly want to get to Borneo, and we have troops stationed in various areas and I think it would be useful to get to as many of these as I can. Then you find when it once becomes known that you are liable to be in that general area, you have requests then from governments wanting you to come and confer with them on matters of interest to them.

Q. This is mainly to see the troops, Sir?

MR. HOLT : Well, partly to inform my own mind better on the nature of the terrain, the country and the general atmosphere. A fairly experienced political observer or Ministerial observer can pick up in a couple of days a good deal of information and atmosphere. He gets a concentrated treatment; just as we have people dropping in here for a couple of days and able to confer directly with either heads of government or heads of services, armed services. You do absorb a good deal of the local atmosphere, the information that can be made available to you on the spot which I think becomes more educative than anything that you can get at a distance or secondhand.

Q. Sir, this \$50M for the Farm Loan Fund. Is the Government providing that?

MR. HOLT : The general idea is that this would come from the SRD accounts but we have yet to discuss in all its detail with the representatives of the trading banks. There have been some preliminary talks; therefore, ^{while} there is something indefinite at this point of time about the way the machinery will operate, we have our own view of what we would like to see happen.

MR. HOLT (Contd.) This is therefore subject to hearing the views the banks may wish to put to us on details, but broadly what we are looking to do is to have available, for borrowing purposes in the long term and at reasonable rates of interest, funds which in the first instance would be available for meeting the problems arising from drought, but this is not seen as merely a way of dealing with drought. We are conscious that there is a need in the rural community for finance of a long-term nature, the people knowing the sort of commitment they have undertaken and the rates they have to pay for their money. Over an amazing proportion of the farming community, the overdraft system has operated indefinitely in some cases. There have been outstanding loans on well-established properties, probably running back through generations; it is theoretically callable "overdraft" and yet that particular bank has satisfied the particular needs of that family or that establishment perhaps over fifty, sixty or more years. Well, the farmer likes to feel he knows just what his liabilities are, and what is the length and availability of his financial resources and then he can plan more confidently for his future. This doesn't mean that you seek to replace overnight the overdraft system which has operated in this practical way for so long, but there will be situations where a man would need the encouragement of an assured long-term loan at a rate which he felt represented an economic one having regard to all he might have to undertake before perhaps he would subject himself to the anxieties and heartbreaks that some of them have experienced over recent times.

Q. On a Queensland note, are you intending to hold on to your Bingil Bay home and holiday there when you can?

MR. HOLT : Holiday! Thanks for the thought. I am hanging on to it for my retirement, untimely or otherwise.

Mr. Fitchett : Sir Robert went twenty years without a holiday, Sir.

MR. HOLT : I am not emulating his endurance feats, I assure you.

Q. I have a very ingenuous question, Mr. Prime Minister. Could you tell us when you are going to debate the bill now before Parliament to extend aid to private schools in Canberra?

MR. HOLT : I haven't consulted my colleague, the Leader of the House on the conduct of the programme. I don't know that it will be introduced at an early point of time. I have no wish to add to or complicate the problems of the Opposition, but it is there on the Notice Paper. Is it in the form of a bill or a statement?

Q. A statement. The Leader of the Opposition secured the adjournment.

MR. HOLT : Well this is where you had me foxed for a moment. I am not saying "foxed" in any sinister sense. You had me groping around as to just what legislation it was. I knew there was a statement, and I gather that the Opposition - if we are proposing to bring it on - wishes to have some prior notice so that there would be an opportunity for Caucus discussions.

Q. Mr. Prime Minister, on immigration. Last night, I think you mentioned only Asiatics.

MR. HOLT : Oh, no. There is no significance.....What I think I was stressing was that these developments around the Asian area had been amongst the factors which had influenced us to make a review at this time but the rules and arrangements don't exclude other non-Europeans than Asians. But in our experience, it is the people from Asia who come here for one purpose or another who seem to give rise to the problems with which we have to deal.

Q. What I have particularly in mind, Sir, is that about a year ago, Mr. Wilson told Dr. Williams of the West Indies that he would try and get Sir Robert to give some thought to taking some excess West Indian population.

MR. HOLT: Yes, well he hasn't put any such proposal to me, nor am I aware of it having been put to Sir Robert. But we, of course, have these arrangements which apply mainly in Asia for students coming in here. I mentioned a figure, a total figure of more than 12,000 as representing the number in Australia at the present time, and not all of course, not more than a relatively small proportion of those here are on Commonwealth or Colombo Plan scholarships. A lot of them come here to do their primary and secondary education.

Q. It would be true to say, then, that this wouldn't include any members of the British Commonwealth as such....

MR. HOLT : Oh, they are not excluded. If they come here under any of the categories of eligibility, then the same rules would apply in relation to them. But I said we were proposing to give rather more flexibility in their administration to the Department of Immigration. We want them to feel that if they run up against what we would all regard as the more difficult cases, then they don't have to regard themselves as being too tightly bound by the rules.

Q. Could you give us a little more background to your speech on Northern Development? Did it derive from a comprehensive Government review of Northern Development policies or was it just a continuation.....

MR. HOLT : Well, we feel we have been telling you a great deal on northern development but we are belted all the time by critics who haven't bothered to put together the total of what we have been doing or what we have encouraged to occur. I quoted a figure last night which is an official figure. It comes from the Department of National Development. If you look at the various projects currently in train or for early implementation, you get a total expenditure on northern development from governmental and private sources of the order of \$2,000M. That's a lot of money for capital investment in a relatively under-populated area of Australia and must make a tremendous difference to the situation in those areas. We are going ahead steadily with, say, the beef roads programme and programmes such as the Brigalow Scheme, ports and harbour facilities, railway development of this sort. We still make the approach from the Commonwealth, and if we can be shown projects with an export potential that have an economic viability about them, we are attracted to do something to help that along. But what I was really trying to do was to get the rather more balanced and realistic view taken of a good deal more than developmental activity. Some may argue it is not enough but it represents a very great increase on anything we have ever attempted before. In Western Australia at the moment, I would think you would find their resources there pretty much at full stretch on our analysis, anyhow, of the figures. I am not finding the Queensland Government in complaining mood about what we are doing up there. On the contrary.

Q. Can we expect some news about Jim Fraser's voting rights today?

MR. HOLT : I don't know whether you noticed that this was in the concluding page of the speech which was roneoed off. It was my expectation that Doug Anthony would announce at question time that we had decided to give voting rights to the member for the Australian Capital Territory. Well, he knowing that it would require a bill and the rule is that bills must first be explained in the party room, deferred until today his announcement. I came to it as I was reading through and baulked at the hurdle and without mentioning the topic, said, "This is a matter which my colleague will be raising tomorrow", subsequently realising that everybody who had had a copy of the roneoed speech would have this new break. Whether it was regarded as of insufficient importance to attract the dailies in other parts of the Commonwealth, I don't know, but it has been a big issue with Jim Fraser. It might prove his undoing.

Mr. Alan Reid - Thank you, Sir.
