FOR PRESS:

## P.M. No. 22/1968

## AUSTRALIAN SUGAR FOR VIETNAM

MBARGO: MIDIKHUT

Statement by the Prime Minister, Mr. John Gorton

The Prime Minister, Mr. Gorton, said today that general agreement had been reached between President Johnson and himself that Australia would supply refined sugar to the allied forces in South Vietnam.

The Prime Minister explained that most of the food requirements (including sugar) of the allied forces in South Vietnam are procured on behalf of the allies by the American Government. Australia has then reimoursed the United States for the cost of Australia's share of these procurements.

Mr. Gorton said that although details of the arrangement had yet to be worked out the quantity and value of the sugar involved had been broadly agreed at approximately 27 thousand short tons worth about \$A6M.

As one of the world's largest sugar exporters, Australia welcomed this procurement by the American authorities.

CANBERRA 16th February, 1968.