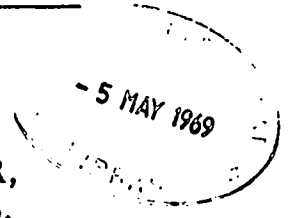


VISIT TO THE U.S.
AND CANADA 1969

CANADA

PRESS CONFERENCE GIVEN BY THE PRIME MINISTER,
MR. JOHN GORTON, AT THE NATIONAL PRESS CLUB,
OTTAWA



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PM. It is pleasant to be visiting Canada, and I hope an augury of the visits backwards and forwards by ministers between our two countries, both of which are so interested in the Pacific. This is an area where, I think, we have an opportunity for greater joint action in the future than we may have had in the past.

I would like publicly to announce that there will be an Australian parliamentary delegation visiting Canada this year. It will be lead by one of our ministers and will have six other members, three of whom will be from the government parties. The details of the programme haven't been worked out, but the visit will occur during the Australian winter recess which is round about June, and I think will be of immense advantage to our own members of parliament. We are grateful that the opportunity for this visit has been afforded to us, as I am grateful for the opportunity for my own short visit. And that is all I think I wish to say by way of an opening comment. It's over to you.

Q. Did you discuss the price of wheat with Mr. Pepin and the Prime Minister, and what were the upshots of these discussions?

PM. Well, we mentioned the subject of wheat, and as you know, it is suggested that Australia is doing something about freights which is enabling it to sell wheat at lower than the I. G. A. arrangements. This, on the other hand, in my view, has not by any means been demonstrated, although as a result of the claim which, as I say has not been demonstrated to our satisfaction, both the United States and Canada have felt it necessary to drop the price at which they are selling wheat. But the upshot of the discussion, I think, can be put this way: that these things ought to be clearly demonstrated and shown to be matters of fact, and there's a technical meeting going on in Washington today and tomorrow - or tomorrow and the next day, I'm not sure which - but more important than that is the clear agreement between all our three countries that it is essential that the International Grains Agreement should be made to work. We all have an equal interest in seeing that it works and there will be further discussions on this matter with our Minister for Trade when Mr. Pepin comes to Australia.

Q. I believe you've had your problems too with foreign ownership. Do you have any very definite ideas as to what should be done with it, do you have any policies in the direction of buying back Australian industry?

PM.

Well, what we must have in Australia if we're to develop as quickly as we have to develop, if we're to bring in the number of migrants that we need to bring in, if we're to bring in the technological know-how, if we're to have the capital which we can't generate from within a population of our own size, then we must have large quantities of overseas capital. We start from that point. It just must come - either from the United States, the United Kingdom, or other countries. What we have been saying is that we welcome this, we need it, we must have it. But we would like countries who come in for developmental purposes to give an opportunity for Australian equity in their enterprise at the beginning, if possible, of that enterprise. This has been an expression of governmental opinion, and I am told that it has had some effect even though it is not a matter of legislative compulsion. We believe that responsible companies, and most of the big companies are responsible, will take notice of expressions of governmental desires and governmental opinion, and we want to see a participation by Australians in equity holdings in the development of Australia. It is very difficult to translate this, in fact I think it would be wrong to try to translate this, in any codified legal form because there are so many variations and combinations that it would be self-destructive to try and do it. But we do express the view that good corporate behaviour, which is a phrase I think one of your own former ministers developed, does require that the capital which comes in and is owned from abroad must - or should - give Australians a chance at some stage to participate in the growth of these companies. We don't expect that an Australian should be given an advantage to come in and buy shares in the company after it has been proved to be successful, and not take a risk before it's been proved to be successful. But we'd just like them to have a chance to have some participation in growth.

Q.

Are you moving at all in the direction of a development fund similar to ours which would enable the government to plow Canadian savings into it?

PM.

Well, we've got a resources development bank, Australian Resources Development Bank, which I think has some relation to the fund you are going to set up - you haven't set it up yet, I think - which you are going to set up. But I haven't studied it sufficiently to know how close those relationships are, but there is an Australian Resources Development Bank.

Q.

I'm sorry, Sir, but I would like to get back to wheat. I'd like to pin it down. Do you deny outright that Australia had anything to do with breaking the International Grains Agreement?

PM.

Well, I haven't seen any conclusive figures or facts produced that indicate that there was anything for me to deny.

Q.

Mr. Prime Minister, you have a reputation for always wanting to see what the weather is well ahead. Could you tell us something of your defence policies after 1971, and whether you will have to rely much more on your own defence resources and not perhaps on the Americans, if they so choose to move some of their forces? Are you on your own?

PM. It depends on what part of the world you are talking about. I would regard Australia and New Zealand as in fact being covered by the Anzus agreement we have with the United States. But if you are talking of the region to our north, where not the United States but Britain, in fact, took the main heat and burden of the day until recently, then we have made it clear that we regard ourselves as having an obligation in that region. A responsibility not only militarily, but to try to help economic growth, to try to help build the standard of living, to try to bring the countries in the region into a better understanding of each other, and to provide some defence forces there on the spot and visible after 1971. I don't know that I've got enough of a crystal ball to know whether if something developed after that period of time we would then be on our own or not. The United Kingdom has indicated that under certain circumstances it would be coming back to the region, but these circumstances are not clear. All I can say is that we feel that at the request of Malaysia and Singapore, in particular, and with the unstinted acquiescence of Indonesia, we do feel we can contribute towards stability by having some forces stationed in that area, and therefore a declared military interest. By contributing to stability we are going to contribute to that kind of economic growth which, in the long run, is the real basis of security.

Q. Are you going to increase your defence budget?

PM. I think you'd have to wait until the budget came down, but if you are talking in terms of money as distinct from talking in terms of gross national product, I would think it quite likely that this would have to occur.

Q. You know that Canada trades a lot around the world, but has almost no merchant navy. You, being an island, must have similar problems. How do you tackle that field?

PM. Well, we've just recently made - when I say recently, I mean some months ago - the announcement that we propose to obtain ships ourselves, one to take part in the Japanese-Australian conference, one to take part in the Australian-European conference, and one to take part in the Australian-West Coast of America conference. These ships will be Australian manned, and they will, in fact, herald the entry of Australia into having some ships of its own.

Q. What is the actual situation?

PM. Well, at the moment we've just decided to buy them. At the moment we only do coastal shipping.

Q. Mr. Prime Minister, did you have an exchange of views with Mr. Trudeau on the recognition of Red China?

PM. No, that was not a subject that was discussed at any length at all.

Q. Do you have plans for opening up Australia for these people to the north, or do you still have a strong white Australia policy?

PM. Well, we don't use the term you've just used. We call it 'restrictive immigration policy' and we always have. And, there are some reasons, I think, for calling it a restrictive immigration policy because if it were able to be accurately described in the words you've used, then there would be nothing but white people allowed to immigrate to Australia and this is not the case. Apart from some ten or twelve thousand students from Asian countries which we have constantly in Australia, there are many who become naturalized Australians. Of course, if someone marries an Australian, they automatically become naturalized, but I am speaking of people who have been living there for some time and who apply for naturalization and become naturalized Australians. The policy has been liberalized considerably over recent years. Again I speak from memory but I think I'm pretty accurate in this. I think at one stage people from our north had to live in Australia for 15 years before they could apply for naturalization. Now it's five, the same as people from any other country. So, there has been quite a liberalization and quite an increase in the numbers coming to us. But we do look for two things. We do look to see that such people integrate with the Australian community; in other words that they will belong to the local football club or the local tennis club and have a circle of friends amongst the community in which they live rather than communities of their own. This is of pretty great significance, we think. I believe that at the moment it is true to say there is less racial feeling in Australia than almost any other country that I know. It just doesn't occur to people. It just simply doesn't occur to people that there is a racial question, and I think one of the reasons for this is because there is a reasonably small minority and an integrated minority.

Q. The Trudeau government is facing a real problem in Western Canada for various reasons. Western Canadians feel this government is not adopting an economic policy vis-a-vis the American market they would like, but more specifically in relation to your case, western Canadians, particularly British Columbians, feel Canada should pay far more attention to the Pacific nations, the Pacific Rim as they call it, from an economic point of view. Could you tell us if you feel that Canada is doing enough in the Pacific area, in a general sense?

PM. I don't think it's up to me to indicate what I think the policies of Canada, or the policies of Mr. Trudeau should be, but I have understood and I think it has been made clear, has it not, that there has been more emphasis placed by this government on interests in the Pacific than has been the case in the past. At least so it has seemed to me. And we welcome that.

Q. For obvious reasons, your country took a firm stand in South East Asia. Did you discuss the Vietnam situation and the Paris talks with our Prime Minister?

PM. What I did was explain the reasons why Australia has taken the stand it has taken in Vietnam and why the government believes it is right for us to be there.

Q. Could you tell us what other matters came into your discussions with our Prime Minister, and in particular, as a result of these talks, is there a possibility of Mr. Trudeau making a reciprocating visit to Australia in the near future?

PM. Well, I hope there is, but the question of a return visit wasn't raised. I had previously understood that it would be some time before Mr. Trudeau could make a visit, but he knows and has known since the London Conference that we would be delighted to welcome him, more than delighted to welcome him, at any time he could get away from Canada to come and talk to us.

Q. What about the other matters you discussed?

PM. Well, we had a quick survey of situations in South East Asia, generally, not confined to Vietnam, but generally. I put forward some views of my own on behalf of the Australian government on the importance we attached to the region of Indonesia, Malaysia, and Singapore, and its economic development and the improvement of the standard of life of its people. And we had, as you say, some discussions on wheat, and several other matters relating to how we could seek to have greater numbers of visits between our two countries. And we both, I think, agree on this: that talking closer affinity is good and Mr. Trudeau is doing it and I'm doing it and we want it. But it is not going to happen on Tuesday week. One of the difficulties of wanting something and saying this is what should happen is that if you're not careful, everybody says in a fortnight's time, "Well, you've said you'd like this, and it hasn't happened, so what's the good of it?". It's not like that; it's something that must grow and grow gradually. I believe the seeds are growing and will grow.

Q. I wanted to go back to the Canadian recognition of Red China. What are your views of Canada's attitude on this matter? What is the position of the Australian government? I gather that you have no intention of following that course with Peking. Could you tell us what your personal view of this matter is?

PM. Well, our view is that the Canadian government is a completely independent government and a government quite capable of making its own judgments. Such judgments as it wishes to make we will naturally respect.

Q. What about your own position vis-a-vis China?

PM. I think our own position is clear. That we do not intend to recognize Red China. That has been our announced policy and at this stage I see no change in it.

Q. In what areas do you anticipate this joint action, as mentioned in your opening statement?

PM. Well, it could well be in the economic field, in various countries in Asia. It could be an interest perhaps of Canada in helping the economic growth of countries around our part of the world. It could be visits not only of politicians and of academics but of experts of various kinds who could try and study various problems not only in Australia, but again in that area of the world. Not anything startling or significant for a start.

Q. Foreign aid, health, and so on.

PM. That kind of thing, yes.

Q. Canada's attempt to establish diplomatic relations with communist China seems to be based on the assumption that recognition of the Peking regime might lessen tensions in the Far East, in the Pacific area, and in the world generally. What is your view of this assumption?

PM. Well, I am not sure that that is the assumption that the Canadian government has made and I'm certainly not going to be put into any position of commenting on any Canadian government decisions. I think we would all of us, eventually, wish to see China brought into the community of nations, and behaving as a responsible member of the community of nations. This must be the long-term hope of the world, but for our own part, looking at it as at present, we don't propose to change our present policy.

Q. Do you see China as the main threat in your area?

PM. I'm not quite sure what you mean as the main threat in our particular area. I don't expect to be invaded by China next week or anything of that kind, but I don't think there is much to be served by picking out particular places and calling them main threats anyway.

Q. Did you and Mr. Trudeau discuss Mr. Nixon's recent anti-ballistic missile decision?

PM. No, not at all. This, I think, is a matter which affects Canada but not us.

Q. In light of your recent discussions with President Nixon do you feel his policy in Vietnam has changed any from President Johnson?

PM. I would think it essential that any discussions that were held between President Nixon and myself, if they were to be meaningful discussions, were discussions which were held between President Nixon and myself and remain between President Nixon and myself.

Q. I wanted to ask you if President Nixon or Prime Minister Trudeau asked you to abide by I. G. A. prices.

PM. The answer to that is no. President Nixon did not mention the matter of wheat at all, and Mr. Trudeau did not ask us to abide by the I. G. A. price. The matter rather lies along these lines. That the United States and Canada have dropped their prices below I. G. A. prices and they say that they did this because they felt that although Australia had not dropped its prices below I. G. A. prices, there was something funny going on with freight rates. But I gather that they haven't quite been able to point out exactly what it is that is alleged to be funny that is going on with freight rates. This, I think, will be the subject of these technical discussions that are taking place. If, in fact, it can be shown that in a disguised sort of a way - and it hasn't yet been shown - that Australia is dropping below the I. G. A. (prices), then that would be serious and we would meet with Canada and the United States in order to make sure that the I. G. A., which is so important to all our three countries, would meet the ends for which it was designed. But none of that is to indicate that I am in any way accepting that there is anything funny going on.

Q. Don't you feel it rather odd that the trade minister of our country says to you openly and publicly that he feels that there is something going on in the freight rates?

PM. I'm paraphrasing. You're not to say that I put those words into his mouth - I'm paraphrasing the general thing that there is a question of whether freight rates are accurately worked out according to the formula which was devised. Now, that's a better way of putting it, but my own way of putting it means exactly the same thing.

Q. I was going to ask you about China again. Perhaps it might give you an opportunity to say something you might want to say. In the light of Canada's position with China, in the light of the statements by Senator Kennedy about the U. S. moving closer to China, is there any possibility of Australia doing the sensible thing and reviewing its position?

PM. I believe as I said before that ultimately we all want to bring China into the community of nations as a responsible member of the community of nations, and I am sure that any steps that Australia takes, if and when it takes them, will be sensible steps.

Q. I think it would be very helpful, with regard to communist China, if you would explain why you do not now recognise the communist China government.

PM. I think there are a number of reasons. One is that the communist Chinese government does not, in fact, look with favour upon being recognised unless its claim to Formosa is also recognised. And we would have some strong reservations about a community of 12 or 13 million people, a community which is probably giving to its citizens one of the highest living standards of any country in Asia, being handed over willy-nilly, to the control of a power to which it didn't wish to go. That would seem to us to be wrong. That's one reason.

Q. I was wondering while you were in Washington, did you see any signs of a change in the American attitude, a softening?

PM. Well, we didn't discuss that matter at all so I had no chance to see any signs.

Q. You are going to see our defence minister. Do you know of any problem on this level?

PM. None whatsoever, but I would be interested in his views of how the use of joint services by the Canadian Armed Forces is progressing, and in telling him of our defence - explaining to him our own defence policy as to our involvement in our region. But there is no sort of concrete defence proposals between the defence services of our two countries that I know of.

Q. In your talks in Washington, did President Nixon give any indication that the United States is contemplating reducing the level of its forces in Vietnam this year? And, additionally, is Australia contemplating any reduction in the level of its forces in Vietnam?

PM. I would answer only for Australia, and I am saying under present circumstances there would be no reduction of Australian forces in Vietnam this year. But you're asking me to predicate something on a whole lot of things that might or mightn't happen.

Q. This involves the domino theory going back to communist China. Do you fear - is there a fear in Australia - that if there is a communist victory in Vietnam that Australia will eventually be on the Chinese or communist Asian domino board?

PM. I'd like to rephrase that question for you, if I may. I still think that if aggression and force succeeds in South Vietnam, that Laos and Cambodia would be in a position where they would be either completely dominated or perhaps occupied. And I think it quite likely that countries at present having some difficulty would also be more open to infiltration and subversion. In other words, I, like most of the people who live in that area, as distinct from people who live in other areas, most of the people who live in that area don't dismiss the domino theory as being sheer nonsense. Neither do I.

Q. Do you think that Australia would eventually be on the domino board?

PM. I have no fear about Australia as such at all. But I feel that it could well be as we have seen in our lifetime once before, if one place after another becomes the focal point of subversion and disruption and overthrowing. Rightly or wrongly, and this is a matter for each man's individual judgment and conscience, we felt in Korea and in the emergency in Malaya and in the confrontation between Indonesia and Malaya, and in Vietnam that aggression, even small aggression, should

be prevented from succeeding; or else one would run into the same danger the world ran into before when aggression in Poland and aggression in the Sudatenland, when aggression in Austria was allowed step by step to succeed. We believe that for all nations, and particularly for small ones, there ought to be a world in which aggression doesn't take place. That if it does take place, it should be seen to be not successful.
