



## PRIME MINISTER

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Issued at the Conclusion of the State Visit to Indonesia by the Prime Minister of Australia, The Rt Hon. William McMahon, CH, MP.,

From 5 to 8 June, 1972.

At the invitation of President Soeharto, the Prime Minister of Australia, The Rt Hon. William McMahon, CH, MP, made a State visit from 5 to 8 June 1972.

The Prime Minister was accompanied by the Minister for Foreign Affairs, The Hon. Nigel Bowen, QC, MP, The Assistant Minister Assisting the Prime Minister, The Hon. J.D.M. Dobie, M, P, and senior officials of the Australian Government.

During his stay, Prime Minister McMahon held discussions with President Soeharto. He also addressed the Indonesian Parliament.

The President and the Prime Minister had friendly and detailed discussions on measures which are being taken by both Indonesia and Australia to deepen the friendship between the two countries and to strengthen co-operation in the economic, cultural, defence and political fields.

The President and the Prime Minister reaffirmed their recognition of the importance for Indonesia and Australia of establishing an enduring and soundly based relationship as neighbours in the Asia-Pacific region. They expressed the belief that Indonesia and Australia are moving into a phase where it is increasingly possible to put substance and content into that relationship.

The President and the Prime Minister agreed that their discussions in Djakarta, following on those they had previously held in Canberra., had enabled them to map out a programme of co-operation for the years immediately ahead. The basis of this relationship was a deepening mutual understanding of the distinctive characteristics of the Indonesian and Australian nations and peoples, a realistic appreciation of common interests and an increasing recognition of the ways they could complement and help each other.

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In the field of economic co-operation, the Prime Minister informed the President that the Australian Government had decided that at the end of the current three-year programme of economic and technical assistance in June 1973, a further three-year programme would be established to the value of \$A69million, on a grant basis, thus assuring the Indonesian Government that Australian aid would continue to grow as it had in the past. Details of the new programme would be determined in close consultation between the Australian and Indonesian Governments and would take full account of the aid requirements of Indonesia.

The President and the Prime Minister agreed to explore ways and means of further promoting and expanding trade between the two countries. The Prime Minister informed the President that the Deputy Prime Minister and Minister for Trade and Industry, Mr. Anthony, would shortly be visiting Djakarta for detailed trade discussions. The President and the Prime Minister further agreed on the desirability of facilitating Australian private investment in Indonesia. The President expressed his appreciation of Australia's efforts in the field of economic co-operation and assistance.

The President and the Prime Minister discussed ways of developing cultural exchanges between their two countries as a means of promoting greater mutual understanding. One specific proposal which they agreed to follow up was the establishment of a cultural and language centre in Djakarta which would promote cultural exchanges between the two countries and provide library and language training facilities. The centre would help and support Colombo Plan and student programmes and would be available for both Australian and Indonesian cultural purposes.

The President and the Prime Minister had productive discussions on security questions of mutual concern and these were continued between the Prime Minister and his advisers and other members of the Indonesian Government. The President and the Prime Minister reaffirmed that Indonesia and Australia were not thinking in terms of any kind of defence pact or alliance. The President and the Prime Minister agreed that, in the field of defence co-operation, their approach was to look for sensible, practical ways in which two friendly neighbours could share their experiences and technical expertise and pursue specific common objectives in accordance with their respective national interests.

The Prime Minister informed the President that where the Australian Government was able to help, it would be glad to do so. He informed the President that for this purpose the Australian Government had decided to establish a three year programme of technical and defence assistance, commencing 1 July 1972, to a value of \$A20 million for the financing of current and future projects agreed between the two governments.

The President and the Prime Minister and the other Indonesian and Australian ministers and officials concerned held informative and wide-ranging talks. Among the subjects discussed were President Nixon's recent visits to Peking and Moscow, and their impact on the future security, development and welfare of the South-East Asian region.

The talks underlined once again the close identity of views between the two governments on many regional and international questions, and their common concern for the peace, stability and welfare of South-East Asia. The President and the Prime Minister reaffirmed that both governments will continue efforts to strengthen national and regional resilience, that is, the will and the ability of individual countries, so far as it is within their capability, to defend their independence by their own efforts, and in the spirit of regional co-operation.

The President and the Prime Minister expressed their deep concern over the continuing conflict in Indo-China which could endanger peace and stability within the region. The President and the Prime Minister agreed upon the need for continued efforts to bring about a just and peaceful settlement.

The President expressed the Indonesian Government's view that understanding and cordial relations should be developed between Indonesia and Papua New Guinea as the people of the latter move towards internal self-government and independence. The Prime Minister welcomed this expression of view by the President.

The President and the Prime Minister confirmed that Australia and Indonesia would support each other's candidatures for the security council of the United Nations.

It was agreed that political consultation would continue both through the Embassies in Djakarta and Canberra and at the first annual talks between Foreign Affairs officials to be held in Djakarta in the latter part of August.

During his visit to the Indonesian Parliament on 8 June, the Prime Minister informed the speaker that the presiding officers of the Australian Parliament would welcome a visit to Australia by the Speaker and a delegation of the Indonesian Parliament at a date to be mutually agreed.

The President and the Prime Minister expressed their satisfaction that relations between Australia and Indonesia are on excellent terms and now cover many fields of common interest. They reaffirmed that the Indonesian and Australian Governments and peoples have the same basic goals and objectives for the region in which both live.

Before leaving, the Prime Minister informed the President that, as had been agreed in Canberra during the President's visit, negotiations would soon be resumed on the seabed boundaries which are still unsettled and on the further settlement of the border between West Irian and Papua New Guinea. The President and the Prime Minister reaffirmed the agreement already signed between the two governments concerning the delimitation of certain seabed boundaries, and the result of the joint surveys regarding the border between West Irian and Papua New Guinea.

The Prime Minister expressed his deep gratitude and sincere appreciation for the warm and hospitable reception accorded to him and the members of his party during their visit to Indonesia by the government and people of Indonesia. Both Leaders expressed their satisfaction that this visit had further strengthened the friendship and mutual understanding between their two countries.