

72/578

72/608

Part 1 + Part 2



PRIME MINISTER

VISIT TO INDONESIA, SINGAPORE AND MALAYSIA

SINGAPORE PRESS CLUB LUNCHEON

Speech by the Prime Minister, The Rt Hon.
William McMahon, CH, MP.

10 JUNE 1972

Mr Chairman, Ladies and Gentlemen of the Press and Guests :

I am honoured to address the Singapore Press Club today. I am your guest in opulent surroundings and I now believe what I have often suspected - that at least here pressmen live better than politicians in Australia.

Thank you for your welcome. It is good to be here. I do not need to tell an audience of your experience that the world is moving pretty fast under the impulse of technological, economic, social and political changes. These changes are grist to the mills of the press. And through your craft, you mirror the times in which we live.

The changes are news for you. They are basic problems for the politician.

The factors external to one's country are among the most difficult for a Prime Minister to contend with, so foreign affairs and defence policies tend to be high on the list of my preoccupations.

And for that reason I have welcomed the talks I have had with Mr Lee and his Ministers on these matters. They were frank and free, and I found them tremendously helpful and informative. So, today, I want to put to you some thoughts about recent international developments. I want to define Australia's policies in the light of some of those developments.

It is a truism that the actions and policies of the larger powers have, since the last world war, and particularly in the past few years, brought about an extremely fluid political situation in Asia. The European countries, and the military strength with which they protected their colonial assets, have in large measure withdrawn. China, consolidated under communist rule, and for long intent upon internal problems, has rightly taken its place in the United Nations. Peking has been visited by the President of the United States. And this has been followed by a visit by President Nixon to Moscow.

Japan is developing rapidly and has become a major industrial and economic power. The Indian Sub-Continent remains beset with unique problems, and a new member of the community of nations, Bangladesh, has been born. Australia gave early recognition to this new nation. The Soviet Union has shown increasing interest in the Sub-Continent, in South-East Asia and the Indian Ocean.

The United States, beginning with the Guam Doctrine, and its progressive withdrawal of ground forces from Vietnam, has given clear notice to countries of the region that there is a limit to the burden that American will carry alone. So we have to ask how these developments affect Australia, where do we stand, and what initiatives have we taken and what we will do.

Mr Chairman, it is hardly necessary for me to say that we encourage and welcome the independence and freedom of countries of Asia and the Pacific. That is a cardinal principle with us in our foreign relations. I digress here, if I may, to emphasise two matters of special importance to us.

One is that Australia has recently joined with several newly-independent South Pacific countries and New Zealand in the Pacific Forum. Here, at the highest political level, the many problems of the South Pacific area will be regularly discussed and mutual solutions devised.

The other matter is that, in accordance with the wishes of its people, Papua New Guinea (which embraces an Australian Territory and a United Nations Trust Territory) will very shortly become internally self-governed and, perhaps not much later, independent.

We hope that other countries will recognise the needs of this emerging country and will be prepared to assist the products of Papua New Guinea to enter international markets more freely.

To return to my main theme, Australia has welcomed the signs of some thaw in the relationship between China and the United States and of China's readiness to play a fuller part in international affairs. *China*

While Foreign Minister of Australia, and well before President Nixon's significant and praiseworthy visit to Peking, I had made a critical re-examination of Australia's China policy, and had announced our objective of starting on the road to normalise our relations. We welcomed the seating of China in the United Nations and supported its accession to permanent membership of the Security Council. At the same time, we made it clear we were not prepared to abandon our *China*
friendship with Taiwan. *Taiwan*

We are, through various contacts, seeking to establish a dialogue with China designed to lead eventually to the normalisation of relations. We are also active in the development of two-way trade. In all this, of course, Australia's national interest is paramount.

We are watching closely China's actions and policy statements, especially relation to its declared support for so-called "Wars of National Liberation". But if we could be convinced by actions as well as words that China is willing to live at peace with countries with different social systems, then the uncertainty and anxiety of Australia and other countries of the region would undoubtedly be reduced.

The recent visit of President Nixon to Moscow and the results which so far have been made known also give support to the idea that the great powers are moving away from confrontation to negotiation and detente. It is too early, however, to predict with any confidence the effects of "The Summit" on the various trouble spots in the world like Vietnam and the Middle East.

Perhaps the most important conclusion is that both sides appeared to recognise the over-riding importance of not allowing commitments to third parties to prejudice the vital national interests of both sides. Russia

So far as our relations with Russia are concerned, the Australian Government wants to develop a more normal relationship with the Soviet Union. We want to expand mutually beneficial areas of co-operation such as trade and scientific and cultural exchanges, and the interchange of visits with Soviet officials. So far the trends have been somewhat favourable.

Despite these trends, and recognising the legitimate interests of the Soviet as a world power, we have watched with some concern the increasing Soviet interest and influence in the Indian Ocean. We do not think that their presence constitutes an immediate and hostile threat from their naval ships in that ocean. But the increasing Russian presence is a fact of growing importance to Australia.

Strategically, the Indian Ocean links us to our nearest neighbours to the North, the countries of South-East Asia. We do not want to see naval or any other form of military competition develop between the great powers in the area. But we think the Russian activity in the Indian Ocean is sufficiently significant for us to consult with the United States and Britain. We believe these two countries share our concern.

This brings me to Australia's relationship with the United States of America. We continue to enjoy what I believe to be a very cordial and beneficial relationship. The United States has given powerful leadership in the free world. It has shown courage and determination in Vietnam, and it has shown clearly that it will not desert its friends.

USA

We regard our own relationship with America as of crucial importance. This is in no way incompatible with our pursuit of an independent policy in this region or elsewhere. In fact I believe it is helpful to the stability of the region that we have this close relationship.

The ANZUS Treaty, as you know, joins us with the United States and New Zealand in an intimate defence relationship. It is one enduring expression of the mutual trust and goodwill between us.

Our experience in two world wars, and the events of the 1930's and 1960's brought home to us, as a medium-sized power, the concept that countries, like people, have a right to security, and that people and nations are stronger through collective action taken under and in accordance with the principles of the Charter of the United Nations. We have, since World War II, demonstrated, through collective security arrangements under the Charter of the United Nations, our belief in this concept.

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I believe also that we should be flexible in pursuing defence assistance and co-operation under the arrangements we have made with Singapore, Malaysia, Britain and New Zealand. The five Governments agreed on measures appropriate to their respective needs and interests in 1971.

It was understood then, and is understood, now, that the forces of the three external countries will remain in Singapore and Malaysia for so long as the Governments concerned see this as in their interests.

Australia will at all times honor its obligations. My Government ^{Defence} believes that the Five Power Arrangements will contribute to stability here, and fill a vacuum. I would stress the continuing relevance and importance of these Arrangements and the significance of the physical presence of our forces in Singapore and Malaysia.

It goes without saying that Indonesia, Singapore and Malaysia and other countries of South-East Asia to our immediate north are of great strategic and security interest to Australia. Our concerns are related less to the immediate security situation than to the fact that the long-term peace and security of the South-East Asian region is important to Australia.

It is important, too, that Australia should maintain an individual and constructive interest in the politico-economic development of these countries, and especially to develop relationships with them which will promote economic growth and increased opportunities for mutual development.

My Government accepts and, within the limits of our resources, has for a number of years been pursuing policies designed to achieve these objectives. I think I can fairly say that we have, as a result, developed a particularly close bilateral relationship with each of the Governments of Indonesia, Singapore and Malaysia, a relationship which encompasses a web of mutual concerns and interests across a wide range of official and non-governmental activities.

Australia has since 1950 provided many millions in aid to development countries. This has been not loan aid but grant aid, and aid without strings. We do not ask for debt payments. Let me say frankly that we have developed such aid programmes not solely for humanitarian reasons nor through a fear of communism.

Our basic motivation has been our belief that Australia's stability and prosperity are closely tied to the stability and prosperity of our neighbours, and that this in turn depends to a large extent on economic development and the satisfaction of the needs and wants of the peoples concerned.

Looking at the general field of international trade and economic development, we have closely watched the evolution of the European Economic Community. With the development of that Community and the entry of Britain into that Community, Australia has, in its own interest been seeking for some years to diversify its export trade and particularly to build up markets in Asia.

We have been successful. Now about 42 per cent of our exports go to Asia. As part of this process, there has been a steady expansion of mutual trade with countries of South-East Asia, as well as agreement on joint projects and Australian investment.

In the reverse direction, there has been some investment in Australia, and I am sure that these reciprocal trends will intensify during the coming years. As a trading nation, Australia has traditionally followed policies designed to encourage liberal multilateral trade, but we have also recognised the special problems of the developing countries in seeking to gain markets for their products, and have acted to give preferential access in the Australian market to a broad range of those products.

There are other areas of mutual interest I could discuss such as civil aviation, telecommunications and tourism, education, cultural and sporting exchanges. In all of these, Australia is becoming more closely involved in the affairs of South-East Asia.

May I conclude in this way? I want to stress the importance Australia attaches to the growth of regional co-operation. Co-operation on the basis of goodwill and mutual understanding.

We are members of several regional organisations, all of which in their own way are designed to contribute to economic progress and stability in the region. They include the Colombo Plan, the Asian Development Bank and the Economic Commission for Asia and the Far East. (ECAFE).

Mr Chairman, while I have been here, I have seen the impressive building which houses the Regional English Language Centre, and also the Jurong Vocational Institute. These are the results of the practical and far-sighted scheme evolved by the South-East Asian Ministers of Education, to which Australia has lent effective support.

More broadly, we will watch with interest and will do what we can to encourage the activities of countries of South-East Asia in seeking to build new and more effective forms of co-operation.

We, in Australia, have also taken an interest in proposals being discussed by the ASEAN countries to evolve arrangements which might lead to the South-East Asian area being declared a zone of peace and neutrality.

Time will show the best way to secure stability and peace, and Australia stands ready at all times to discuss measures to help achieve those objectives.

In conclusion, Gentlemen, I would repeat that Australia is and must remain involved in the South-East Asian area. Your security and stability affect our own security and stability; your prosperity affects our prosperity.

I hope and expect that we continue to build and develop the mutual and friendly relationships between our Governments and between our peoples.

The results can be really rewarding. The consequences dramatic; the interests of the people devotedly served, and our joint contribution made to the peace and security of the people of South-East Asia.

QUESTIONS AND ANSWERS

TZ/60B
Continued
Part 2

SINGAPORE PRESS CLUB LUNCHEON

10 JUNE 1972

Q. You have spoken of Australia's role in South-East Asia and of your interest in ASEAN. - Do you think it is practical for Australia to seek membership of ASEAN or at least more closely associated with it ?

S.E. Asia

PM So far the intentions and objectives of the ASEAN nations are to keep it clearly within the bounds of the South-East Asian countries themselves. They have not sought to invite us to become a member, and although we have taken a very definite interest in the activities of the ASEAN countries, and of ASEAN itself as an institution, we have not positively sought to become a member and when we have asked various countries for the reasons why they believe they should keep their present membership, we have been prepared to accept that. I believe it is proper that the countries themselves should make up their own minds and I do not think it would be prudent in our own interests if we tried, as it were, to exert an influence on them to permit us to become a member.

Q. The ALP immigration policy now is that people who migrate to Australia - they do so on a basis free of consideration of race, creed or colour. Do you agree with this principle ?

PM Only yesterday, talking to the Prime Minister of Singapore, I informed him that I had not come here to take part in Party politics in his country. That I believe is a policy that ought to be adopted not only by myself but by members of the Opposition as well. I have no intention of becoming embroiled in this sort of political struggle in Singapore. I like the place too much and I want to come back again.

Q. If I understand correctly, you consider your first line of defence is South-East Asia. You referred to what you called "your generous offer" of military aid to Indonesia - is this part of it ?

PM I think there are many more influences involved in our relationship with South-East Asia, and particularly with Singapore, Indonesia and Malaysia, than defence ones. Because there is not only defence and security that are important - I believe the relationships there are mutual and that our security is inextricably bound up, the one with the other, so we want the South-East Asian countries, and particularly those with which we have co-operated very closely in the past, to remain free and independent. Of course, security is one of the primary considerations. But equally, too, based on an area of peace, we want the whole of South-East Asia to develop. We want Indonesia - we want the other countries that I have mentioned - the Filipinos, the Thais, the Malays, we want them to be able to provide decent standards of living, to be able to have a just and, I believe, a truly humanitarian society. We have trade, and because with trade will also flow great wealth, so we want our trade relationships to be improved.

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And it, too, is a better means of being able to understand one another, and a better means of being able to understand the psyches and the motivating forces that move the various countries of South-East Asia, we want the cultural relations between our two countries to be improved as well. So, looking at this subject, I can't isolate any one element. I have to look at it in the most general way and then to be able to decide where our best interests lie. My colleague, the Minister for Foreign Affairs, said only yesterday: "Our destiny is inextricably bound up with yours, and yours with ours", and I think in those words you will find a crystallisation of all that I think and all that I feel. And as my feelings in these matters are just as important on many occasions as the thinking process, could I say this to you again; that there is one thing that I have found in the few days I have been out of Australia, in Indonesia and in Singapore, and that is the respect that is held mutually and the confidence that there is between the two groups of countries. I believe I go back - refreshed - and I use that word deliberately - and I use it again - I go back refreshed with the discussions I have had here because they have given me a great deal of confidence in the future security of this area and its destiny in terms of development and the future I hope it will offer to the peoples of the various countries I have had the good fortune to see.

Immigration

Q I have been based here for a couple of years, living in this region, and during those two years, the question that has been raised is the question that Asians always put to Australians about Australia's immigration policy. I have been in some very embarrassing situations trying to explain our immigration policy. Leaving aside the party politics side of it, I am sure there are a lot of people here who would like to hear the Prime Minister of Australia say a word or two about the present immigration policy with regards to Asians.

PM This is a subject that requires very sensitive handling, and I hope I will be able to handle it in precisely that way. I believe, first of all, in terms of constitutional principles, that every country has the right to determine its own policy - whether it be us, whether it be India, whether it be France, Germany or any other country. Secondly, I have got to make it abundantly clear that what we want in Australia is not only a big immigration programme, because we have absorbed, well, certainly well over a million migrants in the course of the last few years - I don't like to specify the exact number of years but it has taken place. And, consequently, therefore, migrants from other countries have been welcomed in Australia. But we welcome them on this basis, and we want to be sure that migrants who come to us - European, non-European or of partially non-European stock are capable of being integrated into our society and of becoming true Australians within a period of one generation. That is our policy. We have certain.... we try to determine the pace of non-Europeans.... we have certain conditions we apply. I can't go any further than the statements I have made, not only in Australia but I made in Indonesia a few days ago. They are set out very fully in a document that has been prepared by my Minister for Immigration.

And if you want any further explanation of that policy, I will get copies of the document - as many as you want sent to you so that there can be a full explanation given to the people of Singapore. We have our policy. We think it is humanitarian. We regard it as selective, but it is certainly not racist because last year we did permit non-Europeans and part non-Europeans to come to Australia to the order of about 9,000 people, clearly showing that it is a liberal policy and one designed to achieve the purpose I have mentioned and that is to ensure that those who come fit into our community, are good Australians and play their part along with the people who are there today in ensuring we move along steadily, progressively towards developments and towards policies that we regard as not only right and sensible but in the long term destined to help our own people and are humanitarian in content.

Japan

Q In your discussions here and in Djakarta, what role have you and the representatives of both Governments been assuming that Japan will be playing in South-East Asia over the next decade ?

PM Australia's attitude - and I don't think it is up to me to be recording the attitudes of other Governments - that is for their Presidents Or Prime Ministers to do - so you will forgive me for not entering into any controversy about this other than to say that I believe their attitudes on a wide variety of international affairs are much the same as my own and my Government's. Japan, undoubtedly, is a great power, a great economic power, and must in time assert increasingly powerful political influence throughout the Asian theatre, but I do not believe, at least in the foreseeable future or as far ahead as we can see that Japan will become a military power. Second, we believe that is in the deep interests of Japan, the fundamental interests of Japan, that it must increasingly take its place as one of the agencies for development in the Asian theatre. And, consequently, not only must it increase trade in that area, but lend its material and its financial resources towards development projects there. We feel, too, that due to the Nixon initiatives not only in Peking, in the People's Republic, but also in Moscow that the whole of this area becomes as it were in the cauldron again. But I would like to use the words of Mr Lee Kuan Yew when he said "It is far too early at this moment to work out what the impact of the rapprochement and detente between these three countries might mean in the Asian theatre. Wait until the winds have died down. Wait until the storms and tempests have abated a little bit.." and, particularly when the dust has abated, we can then have a look around and find out where it lies in our best interests. Of this I can assure you that in both cases, we have looked very carefully to think what the consequences might be, but as yet we look at various areas where we feel that progress might be made and none of us is prepared to make a forecast at the moment of what the future is likely to hold, certainly in the immediate future in front of us.

Q You said in your speech you believed in collective security arrangements under the Charter of the United Nations. At the same time, you say you would like to have the South-East Asian area declared a zone of peace. Do you mean in the Asian context, Sir ?

PM Yes. If the people of the ASEAN countries want peace and neutrality, yes we would give them whatever support we were capable of giving. But I want to emphasise that our attitude here is therefore directed towards the ASEAN countries seeking peace and neutrality. From my own point of view, I have to make this statement that when we are looking at this problem, of neutrality or zone of neutrality and peace, we would also be considering in which direction our vital interests lay. And under no circumstances would we be considering the renegotiating or the termination of such treaties as the ANZUS Treaty on which our future depends. But of course if it became a historical fact that we were asked to give direct support to the ASEAN countries in order to try and ensure that they were able to obtain a satisfactory and effective guarantee, international guarantees of security and integrity and right to live in peace and freedom, of course we would be willing to consider what kind of support we could provide in helping to achieve their objectives.

Q. Sir, you described your Government's ^{Immigration} immigration policy as being one based on humanitarian and non-racism. Can you tell me, Sir, why your Government discriminates against non-Europeans in its assisted passage programme.

PM I don't like to use the word "discrimination", and frankly I think it is not a term that exactly defines our attitude at all. The second point that I want to make about the policy of assisted passages is this. It is designed to ensure that we get people with the right type of technical background for the development of our own country. And it was designed at a stage when it would be critically important that we try and encourage people with special skills to come there. That is the basis of it, and it is in no sense discriminatory in terms of race, creed or colour. The second point that I would have to say to you is this, that having put that as the basic policy of it, I am not the Minister for Immigration. While I can enunciate to you what general policy is, I am not an authority on details associate with that - our assisted passage programme. What I do know is that while Britain will be somewhat reducing, perhaps in time her contribution to assisted passages, we at least will be keeping up our contribution at least as far as it happens to be at the moment.

Q What are your views on the current situation in ^{Vietnam} Vietnam please?

PM I do keep a pretty careful look at the cables that come through on Vietnam, and my mood changes between unadulterated pessimism and then slight optimism. I believe that the North Vietnamese have carried out an attack which at least in terms of intensity and severity is as great as the Tet Offensive. And they have had successes in Phuoc Tuy Province and in Kontum and An Loc, and makes it extremely serious and doubtful whether the northern provinces can be held and whether these territories could be retained by the South Vietnamese. But with the massive help of Americans supported by the strength of the American Administration under President Nixon, the South Vietnamese look as though they are turning the tide back. The centre of Kontum has now been cleared and is free of North Vietnamese troops.

Supplies are continuing to be given to them. The third division which was the source of all their trouble in Kontum and the approaches to Hue, has now been re-established and at least we can think this way. The South Vietnamese are now doing pretty well, much better than we could have expected a month ago. All I can do is to join with your own Prime Minister when he said he hoped the day would come when there could be a negotiated settlement. I hope that, too. When America could withdraw and withdraw without dishonour, and particularly those that remain in South Vietnam will be able to carry out our most precious ideal - to determine their own future free from interference from outside and able to conduct their lives internally in the way the people themselves choose.

Q The Straits of Malacca has become of late a fairly hot topic. The countries in the region, particularly Indonesia and Malaysia would like some form of control of the Straits to naval vessels. Some major maritime powers notably Japan and the Soviet Union, have expressed strong opposition to such restrictions. What, if any, is Australia's position on this issue ?

PM I did have some very useful discussions with President Soeharto about the Indonesian's attitude to the Straits of Malacca and I think I know their attitude very well, so I understand the attitude of the Singaporeans, not only with regard to the limit of the territorial sea and the extension of jurisdiction from three to twelve miles, but also associated with the problems of pollution. Our attitude is a clear one. As yet, we have not made up our minds definitively as to what our policy should be but we are watching the problem very carefully and we think it is a matter when the United Nations Conference reconvenes on the law of the sea, that that is the appropriate place for this problem to be discussed and where the final resolution should be made.

Q Your Foreign Minister is saying that you have to see that in the Indian Ocean if the Russians do have a presence there, you would like to see the Americans have a counterbalance. Would you care to comment on that ?

Russia
Indian Ocean

PM I would have to start off with this preface to you that the Indian Ocean, of course, is vital to us as it is vital to the United Kingdom and is of major importance to the United States as one of the two superpowers in the world. And what we want to ensure is that the Indian Ocean can remain an area where people can ply their trade and carry on their rights to a peaceful passage through that Ocean in accordance with their own national interests.

We have, it is true, a feeling that we would like to see therefore, competition reduced to a minimum, knowing always that the great powers would never be prepared to give up their rights to move their navies into those oceans when they felt that their political interests were involved or their trading had to be supported. So what do we think ? We do not believe at the moment the presence of the Soviet fleets at any given moment of time present an immediate threat to the security of my own country.

PM
(cont'd)

But we do know that they are capable of rapid mobilisation and think they could increase the strength of their merchant-going fleets pretty rapidly and can support them by a float support and can let them carry on for a considerable period of time. So what can I say about this? I, of course, would like to see the area in which people can move freely without a great deal of worry or inconvenience from anyone else. I can't go any further than that at the moment. We are anxiously watching the position. We cannot see a position immediately arising where this idea of the neutrality of the Indian Ocean is a likelihood, but nonetheless we will keep this under pretty careful control and will see whether in time we can't co-ordinate some efforts towards a greater degree of - or a greater reduction of tension and uncertainty than we have at the moment.
