PRIME MINISTER'S SPEECH AT THAI-AUSTRALIA LUNCHEON, DUSIT THANI HOTEL 1 FEBRUARY 1974.

I have had many occasions in Australia and overseas to stress, not just the change of policies of the new Australian Government, but the continuity within that change. Continuity within change is one of the themes of this current journey. Its re-assertion is one of the purposes of this visit. The relations between Thailand and Australia perfectly illustrate that theme. Thailand itself is a splendid example of national continuity within change, and of change within continuity - and never more truly than in this crucial time in Thailand's long history, a time when men and women of goodwill around the world are drawing new hope, new encouragement, from the events in our region.

Change of quite revolutionary dimension has been the very essence of the recent history of our region. One has only to consider that less than 30 years ago, of the six nations on my current itinerary, Thailand alone was independent. Or consider that in the great area from the old north-west frontier of India to the shore of the South west Pacific - an area containing nearly a quarter of the world's people - Thailand and Austrelia alone were not under colonial rule. This is one measure of the scope of change we have lived with and are still living with. The yearning for true national independence, for national dignity, which called this vast change into being is still the most powerful force in our region. spirit has preserved the national identity and independence of Thailand for It is the sort of spirit which the Australian Government brings to its own affairs and to Australia's relations with its neighbours, its friends and its allies. We have tried to understand the aspiration of others as we wish others to try to understand our own aspirations.

The Governments of both our countries have changed relatively recently. Of course we have both changed many of our policies. We are both striking out on new paths. But in both nations there is also a basic continuity of policies. Certainly in the case of Australia most publicity has naturally been given to the changes, to the new directions. Yet it cannot be stressed too much or too often that there is a basic continuity in the conduct of Australian affairs.

Many of our decisions have been responses to developments in the relations between the great powers. We have tried to adapt promptly and intelligently to the new realities, particularly in our region. In some matters, such as normalisation of relations with China, we have been able to move more rapidly than some of our neighbours, including Thailand, but there can be no mistaking the direction events are leading us all. While developing new relations - not just with China but in africa and Latin merica and Eastern Europe - we have strengthened old friendships as well. This is very much the case with Thailand.

We don't believe it is good enough that Australia should regard countries like Thailand and her Asian partners merely as some sort of military buffer placed by geography for Australia's convenience. We have defence arrangements with such countries. We continue to: But we want them to be viewed in the perspective of our total relation with the region. Far from losing interest in Thailand, the fact is that there has never been greater mutual interest and wider exchanges between the two countries than there is now. This interest is growing on both sides. Australia attaches great importance to the continuing well-being of an independent and forward-looking Thailand, a Thailand playing an active and cooperative role in the region and adjusting its policies skillfully to the developing international situation.

Australia and Thailand are expanding their cooperation in all fields. More Australians than ever before are coming to Thailand - in my own case this is my eighth visit in the last fourteen years. Many Thais have studied in Australia and more will come in the future. This co-operation has developed steadily over nearly 30 years, since Australia established a mission in Thailand. That mission was one of the first Australian posts

to be opened in South-East Asia. A high point in the development of our relations was the visit to Australia in 1962 of Their Majesties the King and Queen of Thailand. We have also been greatly honoured that His Royal Highness The Crown Prince is furthering his education in Australia.

Australians and Thais have for twenty years been co-operating in the development of Thailand. A number of joint projects are being undertaken in different areas of the country through the Australian aid program. Consultations have recently taken place between officials of our two governments on another important and innovative project. Through the efforts of HRH the Princess Mother, voluntary medical units have been set up in many provinces to improve health services for people in outlying However, due to difficulties of communication, medical treatment is not readily available to large numbers of people in remote areas - a similar situation to that in Australia which led to the creation of the Royal Flying Doctor service. I am happy to announce that, in response to a request from the Government of Thailand, the Australian Government will support the Princess Mother's pioneering medical volunteers project by providing ambulances and radio transceivers. We hope that a pilot project to determine the exact requirements of the communications network will proceed in the near future. As a further example of co-operation Prime Minister Sanya and I yesterley decided in principle on a cultural agreement between our two countries.

Quite recently the Austrelian Government held discussions with ASEAN representatives in Bangkok on possible Australian assistance to ASEAN Right now my colleague, the Minister for Education, is in Bangkok for the Conference of South-East Asian Ministers of Education Organisation at which we were represented for the first time as an We recently participated for the first time in the associate member. Ministerial Conference for the Economic Development of South East Asia. We are co-operating with the Mekong Scheme with its headquarters in Bangkok, which has such great potential as an instrument for the reconstruction of In the wider region, we share common membership of ECAFE with Later on I shall be making reference to its headquarters also in Bangkok. SEATO, but I mention these other matters now to show how far we have moved from a restricted and restricting concept of our relations as being only, or even mainly, preoccupied with defence and security. Both our countries have a well-rounded relationship with each other. Both are anxious to see that it ripens and matures.

To illustrate this, let me say something of our trade and conomic relationships. There are long established and valued economic links between Australia and Thailand. Our total trade of some dollars A43 million last year is not as large as we would wish, but it has shown a rapid rise in recent years. For our part, we are confident that such growth will continue. We recognise, moreover, that trade must be viewed as a two-way We have taken a number of initiatives to ensure that countries such as Thailand will have considerably greater opportunities, and greater encouragement, to sell to the Australian market. Last year we reduced all Australian tariffs by 25 per cent. In addition, from the beginning of this year, we have introduced for the benefit of developing countries a scheme whereby those countries will receive additional preferences in the Australian We will continue to increase both the scope of the scheme and the margins of preference we accord until we are satisfied that the developing countries have achieved a competitive position in the Australian market. For this purpose my Government is establishing a facility within the Australian Department of Overseas Trade to provide market research and to handle trade inquiries for countries such as Thailand. I invite the Government of Thailand to make use of it. Let me remind you also that we recognise the importance you attach to receiving fair and reasonable prices in international markets for your primary products. Our support in international forums for the basic justice of such an approach is well known and will continue.

Next a word about overseas investment. Australia recognises that in the right circumstances Australian private investment overseas can make a positive contribution to the industrial development of the host country. Although Australia in the past has not been a significant generator of capital for investment in overseas countries. We expect more activity in this area in the future. We believe, however, that every country should have the right to regulate foreign investment in accordance with its own national aspirations and social and economic objectives. It is a right we exercise ourselves in relation to foreign investment in Australia. For that reason we have recently announced that we will seek to encourage Australian private investment overseas only where it is fully welcomed by the host country, where it will be favourable to the country in which it is made, and where it will be consistent with advanced labour relations and local environmental policies.

I have said that Australia and Theiland have a well-rounded relationship which we want to see ripen and mature. We are bringing this approach to all our other relationships in the region. It is by understanding this basic approach that one can best understand the changes we have made. I can illustrate it by reference to some of the more notable of our policies.

I mention the United States. We have an important defence treaty with U.S. and New Zealand but the American alliance should never have been regarded as the be-all and end-all of Australia's defence and foreign policies and it should never have been viewed solely or principally as a defence association. Yet there developed in Australia over a generation a tendency to view all matters beyond our shores through the single narrow focus of China. What we are now trying to do is widen the range of our vision - not to downgrade the importance of our friendship with the U.S. but to upgrade the importance of other relationships, above all in Asia. We believe we are thereby creating a more mature partnership. And we believe that frankness is the best basis for friendship. We expect frankness: We intend to be frank.

I should also refer to our relations with Japan. We are widening them beyond economics alone, important to both countries as that aspect is. Japan is Australia's biggest customer: We are Japan's second biggest customer after the United States. Obviously therefore, Australia's prosperity is closely linked with Japan's. We recognise Japan's need for secure access at fair prices to the raw materials her industries need, and so much of which Australia can provide. At the same time, the Australian people want a fair say and a fair share in the control and use of our own resources, just as the Thai people recognise that investment and trade relations between States - not merely the States of our own region - henceforth take account of the welfare and aspirations of the peoples of those States and cannot be based solely on business criteria. alone.

I come now to China. Australia's new relations with China are based on the rejection of the relevance today of the Dulles concept of military containment of China. The war of intervention in Vietnam was created by that doctrine and destroyed that doctrine. SEATO itself was originally the treaty expression of the doctrine. Clearly our view of the concept which gave birth to SEATO influences our view of SEATO's present role. When we addressed ourselves to this matter on assuming office 14 months ago it was urged upon us that withdrawal by Australia would damage confidence in the area. With an understanding of the position of Thailand particularly in mind, and the importance Thailand attaches to the Manila Treaty, we therefore agreed to work within the organisation for modification of its operation and orientation: Underpin confidence, Yes., underwrite containment, no. And with the co-operation and agreement of all members, this is what we have done.

Finally I mention our attitude towards regional arrangements and Of all those in this region, ASEAN is unquestionably the associations. Australia does not most important, the most relevant, the most natural. seek to be a member of ASEAN, though we have close bi-lateral and regional relationships with all its members. My present tour takes me to four ASEAN capitals..with each member country and with Indonesia, our nearest neighbour, we are developing ever-increasing co-operation at all levels, including defence co-operation. Australia is playing a co-operative role in the other regional associations I mentioned earlier. strengthening all our bi-lateral: relations in the region and are seeking new forms of regional co-operation. Increasingly I believe the nations of the Asian and Pacific region will in the future come to see the need for a wider forum than presently exists where all who have a common interest and a common destiny in the region can meet regularly, quietly and constructively. On this matter I just say two things here: Nobody, least of all me, believes that any new arrangements will come into being overnight.., And Secondly, nobody, certainly not me, believe that any such arrangements should or could supplant or absorb ASEAN.

I recognise too that the continuing conflict in Indochina - our hopes of a year ago being still unfulfilled - represents a major obstruction to any plans for new arrangements in our region. But the need remains, and I believe that perception of that need will grow and sharpen.

It should be plain therefore that the direction of our decisions and hopes are outward-looking, regional and truly international. It is absurd to suggest that Australia is going isolationist when the whole thrust of our policies is towards greater international co-operation than ever before, towards deeper interests in a great number - some of them nations which have hitherto scarcely made a scratch upon the Australian consciousness. New interests do not mean a loss or lessening of old interests. They mean rather a widening of Australian awareness, a realisation by Australians of their capacities, their responsibilities and their opportunities. Australia has not grown weary of international involvement, whatever our disillusionment as a result of Vietnam.

That experience, the Vietnam experience - when Australian youth decided no longer to tolerate the intolerable, just as the youth of Thailand, in a very different context, did so decisively last October - still deeply influences our judgments upon the affairs of this region and the responses we believe we should make to events in this region. What a strange government we would be if our attitudes, declared throughout a decade when we were powerless to act, were discarded the moment we had the power to translate those attitudes into action. That would have been true unpredictability, true irresponsibility.

Decidely Australia has not grown weary of being involved: We have simply come of age. We draw a distinction between constructive involvement and counter-productive intervention. I hope that what my Government has been able to show is an Australian capacity for self-renewal, just as this ancient Kingdom is demonstrating its capacity for renewal and resilience, for change in a world of change, without rejecting its traditions but rather involving the very essence of its national tradition as the instrument of ordered change itself.