MALCOLM FRASER:

August 12th, 1962

During the winter recess two things of major importance have been constantly in the news. The first of these is, of course, the Common Market with its implications for the United Kingdom, for Australia and for the Commonwealth of Nations. The second has been the vexed New Guinea issue.

WEST NEW GUINEA

A few words about this issue first. Negotiations held in part under the auspices of the United Nations, and in part under the auspices of the United States, have been proceeding from time to time. These negotiations have been clouded by guerrilla type action of the Indonesians. However, it appears that the great powers who could effect the result of this issue are resigned to Indonesia gaining possession of West New Guinea. It appears that the great powers would even welcome this, perhaps because there are many who believe it would remove a thorn from the side of the Indonesians and make it possible for them to get down and concern themselves with their domestic affairs which certainly need attention.

There is no doubt that the Communist Party in Indonesia has continually been able to use the West New Guinea issue to keep up anti-colonial and anti-western propaganda in Indonesia generally. If the West New Guinea problem is solved the Indonesian Communist Party's greatest propaganda weapon would be put to rest.

Australia has quite rightly been concerned. There may be a real imperialist move in Indonesia which would cause that country to request the whole of New Guinea after it had obtained West New Guinea. Nobody can categorically say there is no risk of this happening. However, there is a good chance that it would not happen because the history of the two parts of New Guinea are quite different, and if my information is correct an Indonesian Sultan, before the days of Dutch rule, had some kind of suzerainty over West New Guinea, but not over East New Guinea. It was on the basis of this suzerainty that the Dutch claimed West New Guinea as being part of their empire. This is one of the reasons why the Indonesians feel that they were cheated when the Dutch did not hand West New Guinea over to them in 1949/50 when they ceded the rest of their territory to Indonesia.

What Australia can do in this kind of dispute is clearly limited by our own resources and power. The efforts of the Australian Government therefore have consequently been directed towards achieving a peaceful and lawful solution to the problem. If this is to happen it will be necessary to obtain a solution which would appear to avoid loss of face either for the Indonesians or for the Dutch.

There may be more to say about this issue later on.
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not be forced to choose between the Common Market and the Commonwealth, so that the political advantage of which have spoken can be achieved with the export industries of Australia, New Zealand and Canada being previously hit. However, it is still too early to say what will finally happen or how high the price may be. If the United Kingdom does join, and if there is an economic price to pay which, despite the efforts of the Australian Government there probably would be, any industries affected should not be asked to carry the burden alone - the burden of transitional arrangements which any industry might have to undergo should be carried by Australia as a whole. However, it is still too early to work out such matters. We don't yet know for certain if Britain is going to join. We don't know what the price would be. We don't know what industries would be affected and we won't know until we are told the final terms of entry.