

This is particularly the case in South-East Asia where turbulent events in Malaysia, Vietnam, and Laos, endangering both security in the area and world peace, have continued to demand the close and active attention of my Ministers.

The formation of Malaysia, which was warmly welcomed in New Zealand, has met with mounting hostility from Indonesia, leading to a most dangerous state of tension. My Government hopes that a settlement of the issue, involving acceptance of Malaysia, will be possible through negotiation. New Zealand's support for Malaysia remains firm and unequivocal and has been clearly voiced by my Prime Minister both in the SEATO Council and during his recent visit to South-East Asia.

My Ministers have decided that further military assistance should be given to the development of the Malaysian Armed Forces. This will be in addition to the contribution of the three Armed Services to the Commonwealth Strategic Reserve already stationed in Malaysia.

In the closest consultation with New Zealand's allies my Government has continued to assess the need for further steps that might be taken to strengthen and maintain the ability of the free nations of South-East Asia, many of them small countries like New Zealand, to resist subversion and armed attack. It has arranged the dispatch, in a non-combatant role, of an engineering detachment to the Republic of Vietnam.

This concern for the rights of small nations underlies my Government's support for the principle of collective defence and also for the work of the United Nations. New Zealand has maintained its full contribution to the cost of the United Nations' peacekeeping operations and, at the request of the Secretary-General, has provided a police unit for service in Cyprus.

Conscious of the imperative need to reduce world tensions and of the fearful hazards of the arms race, my Government last year directed that New Zealand should become an early signatory of the limited Nuclear Test Ban Treaty. It has frequently made known its opposition to the prospect of renewed nuclear testing, particularly in the South Pacific.

In the field of national defence you will be asked to consider legislation to implement the decision taken by my Ministers that the three Service Departments and the Armed Forces should in future form part of a unified Ministry of Defence, with greater central control and co-ordination of policy and administration.

The purchase of modern weapons and equipment for all three Services is being sustained. At the same time a substantial re-organisation of the Army will provide a national logistic framework to support and maintain fighting forces in the field overseas. Cooperation with New Zealand's allies in preparations for collective defence will, however, remain the central feature of my Government's defence policies.

Next month my Prime Minister will attend a meeting of Commonwealth Prime Ministers in London. This gathering of leaders from an expanding and changing multi-racial association of nations will provide a valuable opportunity for an exchange of views on world problems and questions of mutual interest.

In accordance with the wishes of the people of the Cook Islands you will be asked to consider a Constitution Bill containing the provisions needed for the exercise of full internal self-government by the Cook Islands Legislative Assembly next year, together with transitional arrangements. Consequential changes in the existing law will be included in a Cook Islands Amendment Bill.

In addition to these developments, which match the political advancement of territories in other regions of the world, my Government will continue to make substantial financial contributions to the economic and social well-being of the Cook Islands, and of Niue and the Tokelau Islands. It will also continue with a programme of assistance to Western Samoa and with its support for the economic progress of developing countries through the United Nations, the Colombo Plan, the Commonwealth Educational Aid Scheme, and other projects.