

STATEMENT BY THE PRIME MINISTER, SIR ROBERT MENZIES, IN THE HOUSE OF REPRESENTATIVES ON

8TH DECEMBER, 1965

RHODESIA

I wish to inform the House of measures in the financial and economic field which the Government has decided to take against the illegal administration in Rhodesia. These measures are additional to those that I announced on 16th November. They are taken in the belief that peaceful measures are preferable to military measures and that, in order to minimise the ultimate damage to Rhodesia, the sooner the sanctions become effective and normal constitutional administration is resumed, the better for that country.

This is not an easy decision to take because sanctions can hurt very deeply. Of course, sanctions are designed to impose disabilities, but a system of sanctions which stops short of being effective could easily go on operating for a long long time, creating irritations, not solving the problem and perhaps provoking extreme action on the part of other people. Therefore we have come to the conclusion that, falling in line with the U.K. and various other countries, we should to some extent intensify our economic measures. In what I say it must always, of course, be remembered that our trade with Rhodesia is a small one - not quite £2 million worth of imports altogether annually.

In relation to financial measures, we will recognise the Board of the Reserve Bank of Rhodesia, which the British Government has appointed to replace the previous Board. We will recognise it as the only proper authority. Following from this decision, it may be necessary for us to consider introducing restrictions in respect of financial transactions between Australia and Rhodesian residents comparable with the restrictions introduced by Britain. Also, we have decided to suspend the money order service between Australia and Rhodesia.

In relation to economic measures, it will be recalled that we have already placed a ban on the importation of tobacco from Rhodesia. We now propose to prohibit also the importation of ferro-alloys, chrome ore and asbestos. The ban on imports of tobacco meant that approximately three-quarters of our total imports from Rhodesia were suspended. The inclusion of ferro-alloys, chrome ore and asbestos will mean that we have prohibited imports from Rhodesia affecting more than 90 per cent. of the total. The British have banned approximately 95 per cent. of their imports from Rhodesia.

Honourable members will, of course, recognise that in a relatively small field these measures are severe. However, the unhappy situation with which we are dealing is of grave proportions, involving as it does not only the cessation of lawful rule in Rhodesia but also the arousing of emotions in Africa and elsewhere. In all these matters it is our hope that the result of the measures now being applied by this and other countries will mean a return to sanity and negotiation and that Rhodesia will see reason and find a return to a legal and constructive relationship with the British Government.

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