

PRIME MINISTER'S VISIT TO U.S. AND U.K.

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Speech given by the Prime Minister, Mr. Harold Holt at  
the Savoy Hotel on the occasion of the Australia Club  
Dinner in London

12th July 1966

Mr. Chairman, Mr. Prime Minister and gentlemen, I have always looked upon Lord Baillieu as a friend and, indeed, many of his family are good friends of mine in Australia, and my heart lifted when he sent his invitation to me to come to dinner at the Australia Club in London. I'd been to one once before when my distinguished predecessor was being honoured, as you are honouring me tonight, and this became a forum in which Sir Robert Menzies, one of the masters of exposition of our century, stated so clearly for his country our views and our aspirations. It is tough enough to have to follow after Bob Menzies but then tonight our Chairman host brings along one of the most articulate of Englishmen, who proposes the toast of Australia, and I feel that this is a difficult path to follow, but fortunately the salesman doesn't have always to rely upon the line of talk he's developed. If the product is good enough he can succeed in getting the product purchased. And tonight you do me the honour of speaking of Australia, and what finer product can I refer to in any part of the world? When I was coming across to this country there were various newspapers which were handed to me to lighten the burden of travelling across such a large distance of the Atlantic and here were all sorts of speculations. I expected to find myself lined up in a sort of confrontation with the Prime Minister of Great Britain, I almost expected to meet him eyeball to eyeball - I think that's the phrase, but here we are, he quoted some Australian poetry to me. I hope this practice doesn't spread. I landed in Washington from Australia the other day. I'd been given an advance copy of the notes the President was likely to employ, they ran over a page and a half. But a few minutes before we were to speak together I was handed another set of notes which ran over seven pages and these included a poem about Australia, "I Love a Sunburnt Country" - well I couldn't draw on my very vast knowledge of poetry to any useful extent other than to say by way of reply "Say not the struggle naught avail us". Now perhaps that could apply with equal force to my embattled colleague, and who carries more responsibilities on their shoulders in the world today than the Prime Minister of Great Britain and the President of the United States of America.

For an Australian to come to London in whatever capacity is a stirring experience; no matter how many times we perform the visit we find ourselves increasingly drawn and moved by so many evidences of our common heritage - of history, of democratic tradition. Our own country, of course, is overwhelmingly a British country. You've spoken, Prime Minister, of the migration which has been such a feature of the post-war years. I must say that while we are out to obtain as many suitable British migrants as we can, I can't help feeling a sneaking gladness that your own visit ended with a return to your own country. I say that because another Prime Minister from Australia might be here standing in my place this evening. But I can assure you, had he remained in Australia, and secured the Prime Ministership of my own country, you would be addressing this audience as a member of my own Party.

A very great Englishman who served Australia with great distinction as a Governor-General and remains a memorable soldier of your own past, Lord Slim, wrote to me about some matter recently and the concluding sentence of his letter ran - "what a fascinating time to be Prime Minister of Australia" - and it is a fascinating time because a country to draw out the finest qualities of its people needs a cause, a stirring cause, and Australia is fortunate in that we don't have one cause which stirs the pulse, we have several causes, and I propose to mention just three of them here tonight.

You referred to immigration, and that itself has been for the Australian people a great challenge and a remarkable accomplishment. It is - and history will, I think, establish this - the most remarkable peacetime achievement in the history of our nation because we have, since the end of the war, welcomed two million migrants from various parts of the world. They've become successfully integrated, most of them, in the community life of our country.

They have contributed notably to its development, they have improved the food and drink quite significantly (laughter), and just on half this total have been migrants from these islands, and I'm glad to say that we continue to attract rather more than 50 per cent of the total of our migration from here, and this helps us to sustain the British quality and character of our community life. It may interest you to know that of the young people in Australia today one in every four is either a migrant or a child of a migrant, and so the influences which play on us today are not merely the geographical matters to which you referred, but the impact of so many different nationalities, people seeking to establish a new homeland for themselves, to build a new life in their adopted country. And the result has been the greatest era of progress in the history of our nation, a progress which I'm glad to say continues quite briskly and, on all the evidence, will continue and, indeed, accelerate, in the years immediately ahead of us.

We have, it may interest you to know, a population growth rate of just over 2 per cent per annum. The comparable United Kingdom figure, I hope I quote this one accurately, is .8 of 1 per cent. If you were required to build houses, say, in this country, to say nothing of the hospitals, the schools, and all the other amenities of a civilised community, for a growth rate of that sort I think you would need to add about 180,000 homes a year to whatever total you are currently constructing. And this does, of course, place great burdens on a community of something under 12,000,000 people, particularly when you bring into your accounting the fact that great distances have to be traversed, the transportation costs represent a very high proportion of production costs generally, but we are absorbing the people and we are succeeding in making the economic progress.

You mentioned, Prime Minister, the position of sterling. Australia doesn't have to talk about sterling, we act about sterling, and what greater confidence could be shown in sterling and the future of sterling than by retaining the overwhelming proportion of our reserves in your own currency. I would only hope that with so many possibilities opening up for us which could build an export income capable of adding to those reserves that, having been assisted so notably over the years since the war by a substantial inflow of British capital we ..3

shall be able to continue to strengthen your reserves by the capital necessary to develop our projects. The other matter which I'd like to mention in this connection is that the economy as a result of these processes, new employment given to the migrants, and this largely has to be done not on the farmlands, because they absorb a much smaller proportion of our work force today than they did a decade ago. They're down, I think now, to about 9 per cent of work force. But in our manufacturing industries and in our services the bulk of the addition to the work force has to be absorbed. But overall we have developed a highly diversified economy and this was revealed very strikingly in the last year when we experienced the worst drought our country has known for just on twenty years. The figures reveal the extent of it. Over the total sheep population of Australia we lost just on 8 per cent of our flocks. In New South Wales we lost 25 per cent of our cattle. So that a few years ago, had this occurred, we would have had a disastrous economic recession, but, as you've mentioned, we came through the year with a balanced budget, we added something to our external reserves, and the experience demonstrated that Australia today has so diversified and strengthened the base of its economy that we can stand up to these hazards which formerly would have meant major economic setbacks for us. Now we're going to greatly improve that position in the years which are coming up because the mineral projects are expected by 1975 to be producing an export income for us in excess of that which we would secure from our staple export item, wool.

There are just on 50 major mineral projects either under way, proposed, or in course of expansion, and we have here tonight, I notice, Sir George Fisher, who, if he were being very helpful to you, would tell you what his company proposes to do with the enormous deposits of lead and zinc that they've discovered in the MacArthur River in Queensland. But all around Australia these days we seem to have opened up a sort of Pandora's box of mineral wealth, almost every month that passes by some great new discovery is found and we go ahead with the process of trying to add an export income from this. You made reference to our iron ore deposits. Its a few years ago that we maintained an embargo on the sale of iron ore from Australia because the disclosed reserves seemed hardly adequate for our own domestic steel

industry, and then they began discovering iron ore of a grade of 60 or over by the mountainful, and in Western Australia alone there are now known to be reserves estimated to be 15,000 and 18,000 million tons of high grade iron ore. We have vast contracts with the Japanese for the sale of this which will greatly improve our export earnings and, as you've said, we might even reach to the markets of Europe and, indeed, of Great Britain in the course of the next few years. As to bauxite, our situation is even more impressive when it comes to resources. We have the world's largest bauxite deposit at Weipa in North Queensland. You've only got to kick the ground with your foot and there it is, and we do hold, I understand, about half the free world's reserves of this commodity which is basic, of course, to the aluminium industry. Manganese - Broken Hill has got a great deposit at Groote Island in the North of Australia, nickel has just been found in Western Australia, apparently in very good quantity, and that great deficiency that we have had for so many years, oil, is now being discovered in increasing quantities

and, with this encouragement, we would certainly hope that the explorers will go on until we become self-sufficient. As Barrow Island is added to the existing fields it is estimated that 9 per cent of our consumption will be home-produced and we would hope to add to that particular figure quite quickly. Natural gas, the first attempt made to find natural gas off the coast of Victoria produced a commercial field, and it should not be long before the people of my home city are literally cooking with gas but at a very much lower price than the rather deficient substitute, or at least so-called commodity which reaches us at this time. That is not libellous, I hope, of the Melbourne Gas Supply, or slanderous.

The other thing which gives us cause for the stirring of the pulse is that over recent years for the first time, significantly I think in our history, we have become very conscious of the place we occupy in Asia. In my own boyhood, countries to our north produced a rather picturesque set of postage stamps, but we knew very little about them other than that. But in these days we are directly involved in a variety of ways. We are involved for defence purposes, we see a rapidly growing trade with them. We ourselves contribute to aid programmes in the area, indeed, we can claim to have pioneered the Colombo Plan which has been expanded so greatly since the massive contributions made by the United States and the large contributions which your own country has made. But to us the future of Australia is going to be very considerably affected by what goes on in Asia, and because of this we have naturally given very close study to the developments there.

You have mentioned, Prime Minister, these hopeful developments in which a greater measure of teamwork is now being evidenced by the countries around the periphery of Asia, perhaps brought together by a Common concern, lest they, at one point, become the target for communist aggression, but arising from this building up of teamwork and a collaboration for purposes of trade and of mutual interest which I believe produce some of the most hopeful signs to be found in Asia today. Now remember when we speak of countries east of Suez we are talking about half of mankind - a billion and a half people, whose population is increasing rapidly, both from their natural fecundity and improved public health measures keeping many more of them alive for a much longer space of time. This creates, of course, problems for them and for us, but it also creates opportunities for us all, and whereas in Africa, to which so much attention is given from Europe, and from the United Kingdom in particular, there you have, I think, about 270 million people. Well, in Asia, we have about a billion and a half and they may have doubled by the end of this century, and many of the countries, countries of long and ancient civilisation, some of their people, many of them have quite a high degree of education, their take-off point is much closer to us than is to be found in many of the countries of Africa, and we're finding that there are meetings such as we had recently at Aspac in Seoul, where nine countries including New Zealand and Australia as the only two non-Asian countries were able to come together in friendship and start building together for a brighter future in that area of the world.

We know that the United States is determined to help build a stronger and more prosperous Asia, there has already been brought into being an Asian Development Bank with a capital of a billion dollars, much of it subscribed in the area, with Japan contributing 200 million and Australia 85 million, the United States 200 million and so on, and in these ways, with the development of the Mekong Valley, the Indus Waters, a whole variety of projects which, if time permitted, I could mention, we are seeing the emergence of an Asia which we had never expected to find within our own visible distance, and so when we find that major areas of opinion in this country seem to be turning inward, away from that area of the world, naturally we have a degree of concern. You have greatly encouraged us by what you've told us of the intentions of your own Government. The arrangements which were made earlier in the year with your Defence Minister seem to us adequate and satisfactory. We appreciated the response you gave to the views we put in respect of your continued maintenance of a presence in the area to our north and for our part we have been working closely with your own service people on proposals which would meet the sort of contingencies which might arise should you find yourself unable to continue to maintain a presence in that area. But it is not so much a military presence that we are thinking of. I don't know whether there is a full appreciation in this country of what British influence, British character, British leadership still mean to the rest of the world, and for Australia it would be quite a damaging setback to our own hopes and, we believe, to the aspirations of the people in this area of the world if, for some reason or other, these qualities of British character and leadership were somehow to depart from the area. I know you don't view it that way and I sincerely hope that while there seems to be an increasing disposition to look inwards to Europe, the great possibilities, the great opportunities, would seem to us to be opening up in this part of the world, will not be overlooked.

Now as a concluding note, may I just emphasise something which I think is expected by everybody in this room, and that is that fundamental to the world's hopes for a peaceful and better order is the continuing collaboration between those two great English-speaking countries, Great Britain and the United States of America. My own country has the satisfaction of enjoying a close friendship with both, my own journey to this part of the world was a direct consequence of invitations given to me quite separately by yourself and by the President of the United States. You both quite independently of each other when I succeeded my predecessor asked me to continue the same close and intimate communication which had developed between you. This has been greatly valued by me and has been valued by the colleagues in my own Government, and I feel that Australia would be responsive and touched by the confidence and friendship shown to us in these practical ways. I want to assure you, Prime Minister, that the objective of keeping warm and close the friendship between your two great countries is one of the great objectives of policy of my own Government. There may be practical ways in which we can help to a better understanding one of the other, or at times in our own area of the world which seems so remote to the rest of you, prove ourselves capable of carrying out purposes which further the joint objective which our three countries hold together.

Well, it is for Australia a bright, interesting, exciting, quite dangerous but at the same time challenging world which faces us down under, and it is perhaps regrettable that more of the possibilities, more detail of these developments, cannot be clearly seen by those of the Western hemisphere. The reporting day by day of what is going on in Viet Nam, as I discovered by my own visit, is quite misleading. We get very little indication that great, constructive projects of a developmental kind, are going on there, but its not just a grim war of death and disaster, that each of the military forces of all the countries represented there have their own constructive programmes to carry out, and they are carrying them out. Now its through the stability which can be brought to that area by whatever process of peaceful negotiation and by constructive endeavours hereafter that we feel an Asian society can be built which will be a strength to the world and not a point of danger and weakness.

Well, Prime Minister and Mr. Chairman, I don't wish to abuse the great privilege which has been given to me tonight of addressing you all. This is one of the great forums for anybody in London. I compliment our Chairman who through so many years has by force of his own leadership and the regard held for him in this city helped to create for Australia a gathering, perhaps as representative as any that will ever be assembled in the city of London. And so we say thank you, Clive. I close by saying that I'll be prepared to sing, if he insists on it, with Harold Wilson, "Along the Road to Gundagai" but perhaps we could take as our slogan for the night "Hark the Harold Angels Sing".

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