

PRESS BRIEFING GIVEN BY THE PRIME MINISTER,
MR. HAROLD HOLT, FOR THE HEADS OF BUREAUX
IN THE PARLIAMENTARY PRESS GALLERY AT
PARLIAMENT HOUSE, CANBERRA



27TH JUNE, 1967

PRIME MINISTER: I don't propose to detain you for long because I am hoping that later in the week I will have the chance to go over a number of matters on which no doubt you are feeling some interest. There are just two aspects I wanted to deal with tonight.

The first is just to make some reference amplifying what I gather Tony will already have told you that today we have been engaged principally on a series of papers relating to the forthcoming Premiers' Conference and Loan Council meeting. But prior to that, the Minister for External Affairs had given us a review of Middle East developments, and I had indicated to Cabinet that as these other matters were of great urgency and had to be disposed of today, I would defer my own account of what transpired whilst I was overseas until we had got this business out of the way. Tonight I am hoping to have an opportunity of doing this when we meet again after dinner.

We also discussed the proposed hold-up, as we understand it, of postal business on Saturday, July 1. On that, the Acting Minister can be expected to make a statement later this evening.

The particular matter I wanted to mention to you at this point - because I felt in view of all the press discussion and speculation which had gone on it wasn't desirable that I leave this until our meeting later in the week - is the prominence given in the press to the Basic Industries Group, its allegations of some association between this body and my own party, and what I have regarded as quite unfair criticism which I have read in some sections of the press relating to my colleague, the Deputy Prime Minister and Minister for Trade. As to the Basic Industries Group, I confirm that when I returned from overseas, my own Deputy Leader, the Treasurer, in reporting to me on the various developments which had occurred on the domestic front whilst I was overseas, spoke in relation to this particular matter. He gave me his own assurance that neither he, nor so far as he could ascertain, any of our Liberal Party Ministerial colleagues had anything to do with the formation of this organisation or contact with it. For my own part, I have no contact with any member of it. I question whether I would know any member of it if he walked through the door, and I was able to convey this to the Deputy Prime Minister when we talked together about the matter. I may say we didn't talk about it until this morning. I did telephone him on Friday after my return, but we spoke then entirely on matters which had arisen while I was overseas, and my own activities - the discussions in London and my discussions both in Canada and with more relevance to him, the various trade and economic matters which I discussed in Washington and at Camp David. So far as the Basic Industries Group is concerned, therefore, it is open to any body of men or women in this democratic society of ours if they disagree with policies of the government or individual members of the Government to conduct their own political activities in relation to them. They are not necessarily by any means helpful to one side of politics or to one party in the coalition. The Deputy Prime Minister

PRIME MINISTER (Contd.)

and I have had a long association now in the Parliament extending beyond thirty years. We have been colleagues together in governments as fellow Ministers for upwards of twenty years, and we have managed to get along on good terms right through that period. Therefore the activities of any organisation which could be regarded as prejudicial to the harmonious working of the coalition is certainly not in the interests of myself or my Liberal colleagues in the coalition.

But in particular, I wanted to refer to what I have described as unfair criticism of Mr. McEwen as Minister for Trade and Industry and of the Country Party directed to the tariff policy of the Government, its alleged effects on costs, particularly as they bear on export industries, and its general effects on the direction of the use of resources and the efficiency of industry.

I want to make it very clear that criticism of tariff policy generally and of Mr. McEwen's role in particular in formulating tariff policy is not criticism of himself or of the Country Party, but it is criticism of the Government as a whole. My colleague was asked by Sir Robert Menzies, my predecessor, in 1956 to take responsibility for the newly-created Department of Trade. His activities, amongst other tasks, embraced domestic and international tariff policies. Tariff policy is reviewed from time to time by the Government. Normally tariff matters come before the General Administrative Committee of Cabinet, and on this Country Party Ministers form a small minority, or, if the policy aspect is considered of sufficient consequence, they go to the Cabinet itself, in which, as you will know, there are nine Liberal Party Ministers and three Country Party Ministers. So tariff policy is a Government responsibility. It is not the responsibility of any one Minister or of one party in the coalition.

And I just mention a statistical fact, that the recorded value of Australian exports exceeded \$2,000 million for the first time in 1961/62, and we regarded that as a bumper year for exports, as I recall it, when I was then Treasurer. This coming financial year, five years later, it is confidently anticipated that exports will exceed \$3,200 million. This quite remarkable growth in export income is certainly not consistent with any charge that our policies have retarded our export industries in general. And I emphasise again the fact that they are our policies and not the policies of any particular member of the Government.

I think that is all I wanted to say.....

MR. EGGLETON : Are there any specific questions? We haven't got much time.

Q. Your discussion this morning, Sir, with Mr. McEwen. Was that outside the Cabinet or inside it?

PM: This has not been discussed in Cabinet. I should have made that clear to you. We had a talk together which was the first opportunity we had had, because he came from Mangalore yesterday, and I was committed to an engagement with the Governor-General last night, so we took this opportunity this morning of discussing these matters, and I felt

PM (Contd)

arising out of that rather than defer any comment on it until we met later in the week, I should say what I had to say right now.

Q. Sir, just one question before this ends, this particular episode.....

PM: Well, I think that's an optimistic view for any politician to take!

Q. On the Middle East report, is there anything you can say about crystallising the views or anything like this that came out of it?

PM: No, I've got **nothing** specific myself to say on it. I think if anything is to be said, Mr. Hasluck might choose to do so. But I said in London we were striking a rather muted note on this issue.
