

EMBARGO : NOT FOR PUBLICATION OR BROADCAST BEFORE 8.30 PM
ON 9TH NOVEMBER, 1967

S E N A T E E L E C T I O N 1 9 6 7

OPENING ADDRESS BY THE PRIME MINISTER, MR HAROLD
HOLT, PRESENTED ON TELEVISION AND RADIO ON
9TH NOVEMBER, 1967

Twelve months ago, you returned my Government with a record majority in the house of Representatives. You gave us warm and powerful support for reasons which seemed to you to be vitally important - important for Australia's security - important for its economic welfare - important for the security and welfare of yourselves and your families.

The greatest issue before you was whether we should desert our allies in time of conflict - and this is what we would be doing if we withdrew our forces from Viet Nam. This, in effect, was what the Australian Labor Party proposed to you. This, in basic English, is what it still proposes under its new leadership.

Wrapped up in this question last November and now is what reliance would Australia be able to place on its treaty arrangements with the United States - arrangements which mean so much to our security - if we were to walk out on the Americans in Viet Nam. That danger of a weakening of our treaty arrangements remains while Labor persists with its policy of withdrawal.

At issue also last November and now is our growing relationship with the free countries of Asia. Several of these are contributing - as we are - to the resistance in Viet Nam to communist aggression. They are fearful that this expansion could imperil their security. So are others not actively engaged, such as Malaysia, Singapore, Laos and Taiwan. Not only is the security of all these countries threatened, but also at risk are the bright prospects revealing themselves for us all by increased trade and growing co-operation for mutually helpful peaceful purposes.

These were aspects of Australia's external position before you last November.

They are still before you, but importance has been heightened. It has been heightened by the British announcement, made since the last election of plans for a phased withdrawal of forces from the Malasia/Singapore area.

But external policy was only one issue, vital though you rightly believed it to be. You were also

conscious that under the sound and stable government we had given, Australia was making remarkable economic progress. Indeed, only one industrialised country - Japan - can point to a higher rate of increase in its national product over the last five years. That progress, and the prosperity which accompanies it continue. You had good reason to believe then - as you have now - that the fanciful doctrinaire economic and social policies put forward by the Labor Party would endanger this steady progress. They would certainly involve an astronomic increase in government expenditures.

In the coming Senate election, many less important issues will be argued before you by our opponents. Attempts will be made by them to distract you from issues fundamental to the nation's well-being. But you refused to be diverted last November. Since then, the Labor Party has gone through a process of face-lifting. It has tried to project a more attractive image under a new and younger leadership. But all the evidence proves that the basic policies remain unchanged. The gulf between the views of the Government and those of the Opposition on external and domestic matters remains as wide as ever.

This particular campaign produces another major issue.

Although the Government enjoys a record majority in the House of Representatives, it is in a minority in the Senate. You may wonder why this is so. The immediate reason is the death last year of two Liberal Senators, but the Senate is always close to an even division, because its members are elected by proportional representation, while the Members of the House of Representatives are elected as a direct consequence of the choice of individual electors.

In the coming election, therefore, you are not electing a government, you are electing thirty Senators - five from each of the six States. I hope you will see to it that the majority of them will be government Senators!

I say this for the plain reason, which you will readily understand, that if government is to be effective, the Government of the day should be able to count on majority support in both Houses of Parliament.

You rejected the policies of those Labor Senators who oppose us in the Senate today.

Are we to be able to get on with the country's business and carry out the mandate you gave us twelve months ago, or are we to continue a situation where a combination of Senators whose policies you have - I repeat - rejected, whether from the ALP, the DLP or as Independents, can take the business out of the Government's hands whenever they choose?

To give the final say to those you rejected so decisively twelve months ago, would be, I think you will agree, both absurd and an abandonment of democratic principle.

The official platform of the ALP says it will abolish the Senate. But, under its new leadership, the ALP

has used its representation there, regimented by the vote of the full Caucus, to thwart the democratically elected majority in the House of Representatives. A typical instance was its action in holding up for six months the improvements proposed by the Government to the Aged Persons Homes Scheme.

The Government has two years of its three-year term to run, but the numbers remain against us in the Senate. Unless you resolve this situation favourably for the Government, Australia faces a period of political uncertainty and confusion. Effective government is impossible unless we can carry out the policies and programmes you have endorsed. And this becomes the more necessary in what is clearly a very difficult period ahead when you consider the international scene.

The broad question you have to decide is whether you give the Government the means to do its job in the firm, speedy, decisive way you would wish it to perform.

In the course of the campaign, I shall be telling you in more detail what we have done at home and abroad since you elected us for a three-year term last November. I said then that what we promised we would perform and, indeed, that we would be doing more than we promised.

This has been done, and more than we promised has been done - and we shall continue to do more as opportunity offers.

We set speedily about the task of giving effect to our policy undertakings. As soon as the new parliament met, we busied ourselves putting our promises on to the Statute Book.

We went a stage further in liberalising the means test. We gave further help to the disabled by the Sheltered Employment Assistance Bill. We doubled the amount annually available for science facilities in independent schools. We established a Commonwealth Ministry of Education and Science.

We made it possible for more young people to benefit from the Homes Savings Grants Scheme. At the time of this further liberalisation, some 77,000 young couples had received home savings grants totalling over thirty-four-and-a-half million dollars to assist them to own and establish a home. We have given effect to our promise to provide an additional \$50 million for beef roads.

We have broken new ground in a number of directions not mentioned last November.

Here is the picture, without going into detail:

In the area of Social Welfare: we have extended child endowment; we have given social service benefits to the mentally retarded; we have moved to assist deserted wives; we have done more to lift the tax burden on elderly people; and we have worked out a scheme to assist pensioners who need hearing aids. These may seem small in the national picture,

but each of them meets a special need.

I should add that, following the referendum, I have set up an Office of Aboriginal Affairs in my own Department.

In the area of National Development, since last November's election, we have introduced legislation to cover the new discovery of off-shore oil, which will encourage investment and iron out problems between the Commonwealth and the States. In this field of development - just to show you what constantly goes on - we have helped Tasmania with the Gordon River Project and assisted the South Australian gas pipeline project. We have announced substantial financial help for the Ord River project in Western Australia and the Nogoa Dam project in Queensland.

Emergency assistance is constant - five States have been helped with their drought, bushfire and flood emergencies.

I emphasise, however, that I shall not be outlining a new three-year programme when we still have two years to run under our present mandate. We should all be quite clear about this. The Labor Party may tell you what it would do if it were in government. But it is not in government, and is not making a bid for government at this time. You will remember its spokesmen saying recently that this was not the time to challenge the Government decisively - not even in the Senate. We were told then that the Labor Party is not yet ready, but that it will be ready in 1969. We shall be ready also!! But what you are to resolve at this moment is whether the Government you have chosen is to have a majority support in the Senate in the interests of effective government.

You have much to preserve. Through the long period of Liberal leadership, the progress of the Australian economy has been sure and steady. Our political and economic stability have greatly promoted our development and our standing in the eyes of others. We enjoy one of the highest standards of living in the world. No free industrialised country can point to as high a level of employment, so consistently sustained, over a long period of years.

A bigger percentage of Australians own, or are in process of acquiring, their own homes than exists in any other part of the world. In the availability of motor vehicles to the population, we rank second only to the United States. We are devoting a bigger proportion of our Gross National Product to investment than any country other than Japan. Over our period of office, we have increased the provision in the Budget for social welfare from \$185 million to \$1,071 million. We have increased the provision for defence from \$108 million to \$1,118 million.

Even when allowance is made for the increase in population and changes in the value of money, these facts confirm spectacular progress. Just think of the diversity of this great continent, the nature and tempo of its development.

You would need to travel thousands of miles to understand fully what is happening. The growth of new towns and new ports in response to the exploitation of fantastic mineral discoveries is one exciting part of the picture.

Changes in the past have not only been remarkable in themselves. They are pointers to the kind of future we want and for which we plan. We can be confident of this future if we are given peace, and if we can maintain a continuing partnership between Government and Industry in a free enterprise system.

We must also think in terms of priorities. Defence ranks high in our national priorities. This year we are providing \$1,118 million, an increase of eighteen per cent over last year. Five years ago our defence bill was \$428 million, nearly \$700 million less than the estimate for this year. We have achieved this expansion without serious distortion or disruption of the domestic economy. It is a high price to pay, but security is never bought cheaply. And we are firmly convinced that our domestic programme, the education and health of our people, our responsibility to the very young and to the very old - all of these things - depend upon our security as a relatively small nation in a large and dangerous part of the world.

Our opponents depict the Government and its supporters as people who have little concern for those in need of help whether aged, invalid or disabled, or younger people having a need for education - or, as they marry, a need for housing.

Our record of performance over our period of Government since you rejected Labor in 1949 gives the lie to that line of propaganda. Let's follow the figures. The vote for social welfare in the last Budget introduced by a Labor Government, provided a total of One hundred and eighty-five million dollars. Our Budget for this year provides One thousand and seventy-one million.

Not only has the total provision grown enormously, but the percentage of the total budget we devote to social welfare is a higher percentage than in the last Labor Budget. What is more, this increase in amount and percentage has been achieved despite the increased provision we have made for national defence from the low figure of One hundred and four million dollars in Labor's last Budget to One thousand one hundred and eighteen million dollars this year.

We have greatly widened the eligibility for assistance to the aged and invalid. The education of the young, the provision of housing, the care of the sick and disabled have led us to introduce many new benefits not in existence when we came to office. Let me name a few of them:

- . the provision of pharmaceutical and medical benefits generally;

- . the special schemes in these fields for pensioners;
- . the assistance given to provide homes for the aged;
- . grants to universities;
- . the other new policy measures in the education field which have produced an increase in Commonwealth provisions for education from less than Eighteen million dollars in Labor's last budget to One hundred and ninety-four million dollars this year.

All these measures illustrate a concern that the wealth of a prospering community should contribute to the well-being of people in real need.

These spectacular increases would not have been possible unless we had succeeded by our policies in developing and enlarging our economy.

I would like to tell you now a little about our thinking and hopes in one or two areas of policy which concern us all.

The first is education. The sincerity of our belief that education is important to every Australian and vital to the nation is, I suggest, proved by our record. We now have a Ministry of Education and Science. This year, the provision for education in our budget increased by thirty-five per cent over that of last year. Large though the growth of the education vote has been over recent years, this does not prevent us looking at targets for tomorrow.

I know my colleague, the Minister for Education and Science, would like to help children of pre-school age who are put at a disadvantage because of a bad home environment. At the other end of the scale, he wants to help talented youngsters who at present cannot pay their way through universities. He feels, also, that the success of our scheme to provide science laboratories and equipment invites us now to look at the Humanities, to the school libraries.

I mention this background of thinking to let you know we regard policy-making as a continuing process, not merely as an electioneering device every three years.

Let me give you another illustration. We have always said, and I repeat the undertaking, that we will continue to improve our national health scheme. In many parts of the world, our scheme is regarded as a model. But no plan meets

all human needs. We know we have not yet properly covered the emergency of long illness. There is anxiety about this, particularly in old people. Here then is another area of genuine human need which will take a high priority in our thinking.

What we can do is, of course, governed by what we have. Money can't be plucked out of the air. But we do plan constantly to make further progress towards our social objectives.

I come back now to the issue of national security on which you voted decisively for my Government a year ago.

Let me re-state our foreign policy aims in relation to South-East Asia of which Vietnam is a significant part. Our military commitment in South Vietnam arises out of our larger and long-term assessment of the security of South-East Asia and our belief that the new nations that have come into being there should be allowed to survive as independent communities. We believe this in their interests and in ours.

When we committed ourselves to the defence of South Vietnam, we did so in the belief that the fact of aggression in South Vietnam was real, as was the threat of its expansion through other parts of South-East Asia. We have no cause to alter our assessment. We believed then, and we still believe, that a successful communist takeover of any of the directly-affected nations would not only be disastrous to the peoples of those countries, but would weaken, and in time destroy, the capacity of other nations of South-East Asia to maintain their own independence.

We share the view of the Government of the United States and of the governments of the free countries of South-East Asia and the Pacific that the transfer of the area to communist control, either by subversion or aggression, would doom the peoples of the area to domination and servitude.

Who can deny that the unchecked advance of communist subversion and aggression in South-East Asia would be a threat to our own national interests? Our powerful ally, the United States, has assessed that it would be a threat to its national interests. For us, in our geographical and strategic position, the threat would be very much greater.

But there is a more positive and constructive side to our policies. The new nations of South-East Asia, although beset by difficult political and economic challenges, are real national entities with commendable purposes and a vision for their future progress which is worth backing. Their chances must fail unless external aggression and subversion are held at bay. Already the other free nations of the area have benefited from allied intervention in South Vietnam. They have been able to go ahead with economic development and there is today more genuine co-operation for peaceful, constructive purposes than these countries have ever previously known.

These are the bedrock reasons for our policy and our commitment.

The course of the immediate conflict in South Vietnam does not alter the fundamental reasons for our policies. But I have re-stated them here, because it is for you to weigh them against the newest policy decisions of the Australian Labor Party.

It is clear from the decisions taken by the Federal Conference of the ALP at Adelaide, that the Party has, in substance, the same policy on Australia's military presence in Vietnam that it had at the general election last year. The United States is given an unacceptable ultimatum. But if it is not accepted, Labor says that Australian troops will be withdrawn.

A Labor Government would scrap the foreign policy which the Australian people overwhelmingly endorsed a year ago. It would, for all practical military purposes, turn its back on South Vietnam, and reduce our American alliance to a meaningless set of pious words.

The issue is not whether we want peace in Vietnam. We all want peace in Vietnam. The issue is whether an Australian foreign policy, which attaches immense importance to the American alliance and to the independence of the free countries of South-East Asia, is to be preserved or destroyed.

So the Senate election, among other things, is an opportunity for the Australian people to say again where they stand in relation to their own vital national interests. This is, I repeat, even more important than at the time of the House of Representatives election a year ago. Since then the intentions of Britain east of Suez have been made known.

While you are making your assessments about our position internationally you should take into account the British Government's decision to make a phased, but total, military withdrawal from the mainland of South-East Asia by the mid-seventies. Australia, its allies, and its friends will, as a consequence, be engaged in close and far-reaching consultations.

I put it to you that we must, in these circumstances, have in office a government with a consistent and intelligible foreign policy - a government which can work in close co-operation with allies who see the needs of the area much as we do. I mention, in particular, our American allies.

I was sharply reminded of the Labor Party's isolationism in foreign affairs when I attended the opening of the United States Naval Communication Station at North West Cape as recently as September 16. Here was tangible, exciting proof of the reality of our ANZUS Treaty with the United States - a dramatic example of the "effective self-help and mutual aid" described in Article 11 of the Treaty.

But have you forgotten that if the Labor Party had been in power in 1963 there would have been no North West Cape Station? When the United States Naval Communication Station Agreement Bill was before Parliament, the Labor Party produced an amendment designed to deny to the United States sole control of the station. The Labor Party served notice of impossible terms on the United States. When defeated on this,

the Labor Party moved that the third reading of the Bill should be postponed for six months. This, in plain language, was an attempt to kill the Bill.

But today we don't hear any apology from the Labor Party for its wrong thinking in 1963. Instead we find a perpetuation of the folly in Labor's present attitude to our obligations under the American alliance. But there is nothing new about the Labor Party's dangerous isolationism in foreign policy. It emerges all along the line. It is a danger signal - a warning we should all take note of.

So I say again that the issues of national security are still paramount. Let me put it to you in the simplest terms: The security of this country depends very largely upon how far we can have South-East Asian countries kept out of the hands of the communists. If these countries did fall to communism, we in Australia would be a very exposed and, in terms of trade and area co-operation, a much more isolated and restricted nation.

That's the heart of the political argument in this country. We believe - and the majority of Australians shared our belief a year ago - that the external policies of the Labor Party are - to put it bluntly - suicidal.

So I ask you to take this Senate campaign very seriously. It so happens that the Labor Party's leaders in the Senate enjoy the support of the Party masters outside Parliament who would weaken the alliances which are the keystone of our security. All that we have worked for and built up over the years could be quickly and disastrously undermined if the voice of the Labor Party's policy-makers became the voice of Australia.

As I said earlier, political instability and uncertainty are inevitable when a government with a big majority in the House of Representatives is in a minority in the Senate. We want that position resolved in the interests of effective government.

But we also hope that you will record a positive Senate vote for the Government as a reaffirmation of what you said a year ago.

What we plan for the well-being of Australians and the development of our country must not be put at risk.

I put it as high as that with confidence, because I don't think the Australian people change their minds from day to day on basic questions of national security and survival - nor, for that matter, on basic questions of their country's economic strength and their own welfare.