

SPEECH BY THE PRIME MINISTER, THE RT. HON. R.G. MENZIES AT THE SOUTH AUSTRALIAN CHAMBER OF MANUFACTURES INC. DINNER, SATURDAY, 17TH OCTOBER, 1959

Sir, Mr. Premier and Gentlemen:

I don't know that I liked that last passage very much about a "fatherly talk". Looking around at some of you I should think you could give me years! (laughter) ... But I am delighted to be here because as the President has rightly said, in my opinion, this is just about as big a dinner of its kind that I have ever seen in Australia in my life. No doubt the expansion of the business of General Motors-Holdens, under the benign auspices of my Government .. (laughter) .. may have something to do with it. A rather contentious fellow called Horn, who is one of their directors, has never been known to admit it - when in Canberra...

But it is a marvellous thing to be able to stand up at what is primarily a manufacturers' dinner in Adelaide in the State of South Australia, because quite frankly looking back - what? - 20 years? - I would have thought an attendance like this under these auspices practically impossible. And therefore this proves what has been going on in the State of South Australia. I picked a period of 20 years, not because I had any more desire than usual to flatter the Premier of this State ... but because I did hope that when he comes, later on, to speak he might say to you that of the 20 undoubtedly the greatest 12 ... well, you know what I mean! (laughter).

In point of fact, gentlemen, I want to tell you this so that you will be prepared for anything. Sir Thomas and I have a little 'working arrangement'. It has endured now for many years. We take it in turns to have the last word! When he has the last word - as he will tonight - he takes strips off me! .. and when I have the last word - as I do every other time - well, I do my best. Though it's very hard to 'take a strip' off this political pachyderm! (Laughter) I don't say that offensively, but because there he is: he has been there for 20 years, and I like to recall that over these 20 years he has occasionally thought of the then state of affairs - at the opening of the account so to speak, in the State of South Australia.

I was reminded of it very much today flying across, contemplating this really disastrous drought that you have been having in South Australia. A worse drought here than in any other part of Australia, and if I were to go back for 20 years, as he can so readily, I think we would both agree, Tom, that 20 years ago the impact of a dry year with  $7\frac{1}{2}$  inches of rain, the impact on South Australia would have been disastrous, and in a large sense not capable of being resisted because there was no other balancing factor in the economy of the State - no other big balancing factor at any rate. So that one would have expected to find a great deal of unemployment, a good deal of misery, tremendous problems of Government and private finance. And in 20 years, if I may say so, largely owing to the unceasing drive - and sometimes the tiresome non-conformity of my friend the premier .. (laughter and applause) .. but largely owing to his unceasing drive, - with a little co-operation from me in the earlier years as he will recall .. (laughter) .. - but only a little, it was...well, I won't elaborate that in case it gives him ideas! But anyhow - (and he doesn't need them) - (Laughter) .. But you know over this period of 20 years this State has got both economic feet firmly on the ground. And that was why I was so struck tonight, as I was the last time I came here, at the idea that you could have 600 men of significance in this city and in this State meeting to celebrate another year of enormous development in their own State, and therefore in the Commonwealth. This to me is one of the great things that has happened in Australia.

I was born in the northwest of Victoria in a section which was then called the Mallee, until somebody coined that highly intellectual phrase: "Is the Mallee worth saving?" - whereupon we promptly called our section the Wimmera (laughter). Well, I mean, reasonably enough we had an acute desire to be saved! But in 1902, when I was a very ripe age indeed - 1902 - one of my earliest memories is the great drought of that year, when in that district (Jeparit, from Horsham up to Dimboola and Rainbow) 2½ inches of rain fell! The whole earth was brown, and half of it was blown around in the north winds. Starving cattle and other stock were brought in to Lake Hindmarsh because out of the dry bed of the lake there began to sprout a rather succulent weed as you might say which had moisture in it and which saved a few thousands of them. At that time a drought was - and still is of course for those who are under its direct impact - an utter disaster. It seemed to be so irremediable that I began very early in my days to understand what water meant to people who are in the outback country of Australia.

But oddly enough, though that's my first juvenile memory, my second juvenile memory not so long afterwards was of hearing my late father, who was subsequently a member of the Victorian Parliament, and from whom I inherited a certain degree of contentiousness and of willingness to enter into a dispute - you will forgive me for that I'm sure - but I can well remember him laying down the law to some, I thought, rather tolerant and patient wheatgrower, on the subject of the vital importance to Australia of the protective tariff. They were fighting words in those days, weren't they? Tremendous! And the old man used to be at this, as it seemed to me, almost day and night, and in my juvenile innocence I thought he was wrong.

But that really wasn't a very comforting way in which to speak to men on the land who suffered all the vicissitudes of wind and weather. But I didn't take long to learn that from an Australian point of view he was right - that for Australia it was not sufficient to be exposed naked to the forces of wind and weather, that we must develop ourselves as an all-round community, growing things from the soil, grazing stock on the soil, manufacturing things in our factories, learning to stand robustly and in an all-round way in the presence of whatever the world might choose to do to us. And that's quite right! And you are tonight the proof of it. And the history of this State is the proof of it. If the distinguished Premier of this State had taken a small, narrow view of these matters, South Australia would not today be able to stand up against these difficulties and move forward and continue in the broad - the prosperity of her growth, and her development. And therefore I don't belong to the school of thought - though I'm afraid some of my manufacturing friends do - who think that secondary industries in Australia ought to be apologised for, or in some strange way defended as if they were exotic from the point of view of Australia. All that's gone. We are today living in a community which has long since decided that every aspect of industry, whether it's primary or secondary or tertiary, is in alliance with every other in order to give the greatest stability and the greatest chances of growth to the country. That's a simple and rather comprehensive statement of my own feeling about these matters. But I want to say a little more about today and the future.

It has been very much in my mind in the last few days - it was brought more acutely to my mind when I learned, as you did, this afternoon, of the death of George Marshall, that very great American and very great citizen of the world. Now you may say: "What has George Marshall to do with the Chamber of Manufactures Dinner in Adelaide?". I'd like to answer that question if I may, because I knew him a little - enough to know

of his greatness, of his outlook. But I want to remind you that George Marshall will go down in the history of the Twentieth Century as one of the very greatest men of our time. And for two reasons - one was that it wasn't for him to have the picturesque tasks - even though they were vastly dangerous - of command in war; but it was his task as the head of the general provisioning for the Services in the United States, to be responsible basically for an enormous part of the American effort in the late War. And he attended to it with the most astonishing courage and the most remarkable intelligence. And then - when the War was over he didn't fail to understand that there had been a War before, and that it had produced American ideas in the League of Nations of an International kind, and that these had been dropped and defeated at Washington, and that the United States of America had for a time gone back into a state of isolationism. George Marshall was well aware of this. He, of all men in our time, was the man who led the United States into understanding that the economic development of other countries in the world was of the greatest importance for peace and for an intelligent resistance to Communism. And so we had the Marshall Plan - Marshall Aid - even though today he is dead, and for years he has been out of the picture, we still find ourselves, don't we, talking about Marshall Aid as a sort of generic term. All these thousands of millions that have been poured into the rest of the world for economic strengthening by the United States have not only exhibited the end of isolationism, but they've exhibited the statesmanship which in my opinion does great honour to the greatest power in the Twentieth Century. And so George Marshall and his memory and his work are not irrelevant to what I am thinking about and talking about tonight.

I believe that the development in Australia over the last twenty years in particular - over a period which began perhaps a few years after the end of the first World War - the development of Australia in manufacturing, in all-round political and economic activity - has been a source of strength to us that we don't always realise. I was asking the other day for a few figures because figures are occasionally interesting. Boards of Directors have, I believe, been known occasionally to pay attention to them (Laughter) and occasionally I do. But I asked for a few good round objective figures, because I had it in my bones that there had been the most astonishing development in this, what I'll call, the industrial field. And the answer is that since the War there has been invested in manufacturing industry, in what I'll call the fixed assets of manufacturing industry, since the war, no less than £1,750,000,000 in Australia. And for years now it has averaged about £200,000,000 a year at least. This is remarkable! If it stood by itself it would be remarkable. If it stood by itself it would exhibit a degree of confidence in the country which I think is of the very essence of national development. But it doesn't stand by itself! We have now for some time been receiving capital - needed capital - from overseas. Some of it, of course, on the public account - public Government borrowing - and a great deal of it on private account. We have had now, for the last few years, something over a hundred millions a year coming into Australia on private account for capital investment. And contrary to some public impressions - the better part of it from the United Kingdom, but a great deal of it from the United States - far more on private account than on public account, though I wouldn't apologise for what has come in on public account, because as I think I have said to you once before, there is no greater fallacy entertained by many people - including business people - than the idea that Government expenditure on works is in some way a competitor with private expenditure in the development of industry, whereas, of course, it is nothing of the kind! But for Government expenditure on roads and water and power and all these things there could be no adequate industrial development in Aus-

tralia. These are two facets of the same thing; and from my point of view, as one who has been by some chance made the Prime Minister of Australia, I find nothing that fills me so much with pride - not with complacency as some people say - but with pride - a decent sentiment pride is and every Australian ought to have it - and nothing fills me with more pride than the knowledge that this confidence is being shown - not only by investors in Australia - but by investors outside of Australia, in our destiny, in our capacity, in our future both near and distant.

These are, I think, tremendously exciting days. And when I think about them I say to myself: "Well, how is it that when we contemplate the state of our economy - how is it that when we follow out the enormous growth of industry in Australia - that we so frequently sit down and engage in a gloom session. Oh! things are not what they might be! We're having a little trouble about this! The Government isn't doing enough about that!" Well I don't mind a bit of moaning; I think that it's very good - I'm not unaccustomed to it (laughter) near home. A little bit of moaning now and then it relished by the wisest men - if I may misquote (laughter). But what about taking a little stock occasionally and forgetting to moan, and feeling glad? What about feeling happy about this country of ours? What about saying to ourselves every now and then: "Bliss was it in that dawn to be alive, but to be young 'twas very Heaven." Wouldn't it be very Heaven to be young in a country like this, with all these achievements to its credit, and with this almost illimitable future in front of it? Let's be proud; let's be cheerful about it! And it's very important that we should be for a reason that I want to mention - a reason with which many of you are no doubt familiar.

It isn't very long ago that it could be said with complete accuracy that the export income of Australia was derived almost entirely from primary products. And the manufacturer was a fellow who under the advantage of all that, was enjoying the benefits of a protective tariff. But he wasn't exporting anything! Now, I've got a figure or two on that - I'll see if I can find it; yes, five years ago - only five years ago - manufactured goods and semi-manufactured goods represented eight per cent of Australia's exports. Last financial year they represented fourteen per cent of Australia's export income! Five years, you know - that's a very remarkable development.

I believe myself that the time will come - I won't be here, but a lot of you will be: you sprightly fellows will be here - I believe that the time will come, and that before many years, when the products of our factories will represent a massive proportion of our export income. I'm not contemplating that we're going to grow less wool or sell less wool or that these great staples of export are going to be less significant. They will go on, providing the bedrock in many ways of our overseas earnings - they will remain most vital industries, and we are not to forget it - but I believe that eight per cent, fourteen per cent, will become twenty, will become twentyfive, will become thirty per cent - until the old idea that the manufacturer provides only for his own people under the shelter of a tariff will become almost as dead as the dodo. And why shouldn't it! What kind of people are we in Australia? There are none better! Let's have a little bit of Scot's modesty about this matter (laughter, applause) :

"Here's tae us  
Wha's like us?  
Da'd few, and they're a' doid."

Well that's good; it's a good Scots motto, and I commend it

even to my Irish friends (laughter) who may be here. But this is really a matter for pride and for ambition. All we need to do is to realise that if we're going on increasing our population by a quarter of a million every year, so that by the end of this century there will be far, far more millions here than any prophet ever thought of fifteen years ago - if we're going on like that, then let us realise that we are and must continue to be one of the greatest trading nations of the world. We are indeed! We're in a limited few of the great trading nations. Far greater traders than our population would suggest or require. And when we have twenty million people, when we have thirty million people, are we going to be content to be exporters only of the things that we grow? Are we going to look back and say: "Well we had a marvellous opportunity of doing business with hundreds of millions of people whose standards of living were only beginning to emerge, whose capacity to buy was only beginning to be significant"? Or are we going to say to ourselves: "Look, it's of much greater importance to know how we can export things that we make in Australia, how we can export them in large measure, in fifteen years' time." That's a much more important question than whether we can raise the dividend rate next year from nine to ten, or from ten to twelve.

This is a matter for imagination, for understanding, for a bit of true pioneering. I've said it until I'm - well I was going to say until I'm sick of saying it - until some people are sick of hearing me say it, much more accurately - but I have said more than once that there's nothing I object to so much as this old bogus idea that pioneers had beards and bow-yangs. All that's gone! Some day they will look back, and they will look back to you people - and to me - and to all of us who are here - and so be it that we do the right thing - they will say: "These people were among the pioneers of Australian export to the rest of the world of things made in Australian factories by Australian artisans." And that will be a great day for Australia. (applause)

Now, Sir, it's taken me a long time to lead up to it, but that's really all I got up to say to you. This is our moment! You never know - this may be the year or the decade of our destiny. I don't go so far as to say it's the year of our destiny, but I'm sure that we are living in the decade of our destiny. If we huddle up under our protective clothes, and say: "Well, we're doing very nicely, why worry about the market in other countries, we're doing quite nicely thank you" then no doubt we can go along quite comfortably, but our race didn't become what it was and is in the world by going comfortably. Australia might have wanted to go comfortably when she had a small population and an acute sense of dependence, but what's the use of taking pride in your independence unless you determine that all the things that have to be done to maintain it and extend it, and make it useful, will be done?

And so, I'm saying to you what no Prime Minister would even have thought of saying at a Chamber of Manufactures dinner twenty years ago - I'm saying to you: don't just be satisfied by filling the local market; don't just be satisfied by feeling that circumstances are not too bad and there's a good level of prosperity. Be dissatisfied, grossly dissatisfied, until you feel that we are capable of exporting to other people in the world and selling to them in fair competition, masses of things that are made in our factories. We do it! Australia sells steel on the west coast of the United States at a price advantage! Not bad for Australia is it? Somebody would have said once that it couldn't be done. Somebody once said that it was impossible to manufacture motor cars in Australia - it couldn't be done! The world's full of these wretched creatures who know that it can't be done. I am addressing six hundred men who I hope know that it can be done, and are determined that it will be done.