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PRESS CONFERENCE GIVEN BY THE PRIME MINISTER, THE
RT. HON. R.G. MENZIES ON SATURDAY 9TH APRIL, 1960
AT 11 A.M.

PRIME MINISTER: Well what can I tell you?

QUESTION: There's a message published in New York this morning Sir, saying that Time Magazine propose to send Dobell's portrait of you on a tour of Australia and then to offer it to you. It's at present on display in the Qantas Office in New York. Our people are wondering whether you've heard from them and whether you will accept it.

PRIME MINISTER: I've heard nothing about it. I read it in the Age this morning. I've no comment to make on it.

QUESTION: Mr. Calwell last night, Sir, proposed capital ~~Bank~~ tax and graduated tax on Company profits, mainly for the undoing I think of General Motors Holdens, as a deflationary measure, or anti-inflationary measure for the next budget. Are you likely to consider either?

PRIME MINISTER: I don't know what we'll consider for the next Budget. It's a little premature. But you've heard this story about a graduated company tax many times. I seem to remember it was tried by Mr. Curtin and later on by Mr. Chifley, and abandoned. Of course, this is all part and parcel of Mr. Calwell's obsession with the idea that this is a profit inflation. That argument has been answered pretty completely in the House.

QUESTION: Sir, can we take it from what you've said that there will be no ~~registered~~ ^{graduated} company tax and no ..

PRIME MINISTER: You can't take me as saying anything whatever about the next Budget. I don't know anything about it yet. That answer doesn't have any implications either. (Letter)

QUESTION: Mr. Calwell also mentioned that you'll have to increase taxation to reach a non-deficit Budget. Is that a fair assessment?

PRIME MINISTER: What does Mr. Calwell know about it?

(Interjection)

Oh, now come on, I'm not arguing about the Budget. This is April and not even April the 1st.

QUESTION: There are some fleeting rumours around that some action may be taken jointly by the Governments of Australia and New Zealand to provide a new ship to maintain an Australasian Shipping Service on the Tasman. The Minister tells me that he hasn't heard officially of it but suggested that if anything had cropped up you may have been discussing it with Mr. Nash.

PRIME MINISTER: Wonderful. This, I think, involves a question for some replacement for the Monowai doesn't it? Well, all I can tell you about it is that Mr. Nash, when I was speaking to him on the telephone in Sydney a couple of days ago, told me that among other things he would like to discuss with me in London was this question of the shipping link. And I've said I'd be glad to do that and I've now asked the Shipping Department to give me whatever background information they have on it so that I'll be qualified to talk about it. But that's all I can say about it; that's all I know about it.

QUESTION: During the week, Mr. Menzies, there were reports

published from London, first appearing in the London Daily Express, that Britain was considering abandoning the Woomera Rocket Range and giving away the Blue Streak and other missile experiments there.

PRIME MINISTER: I hope I'll be relieved from the responsibility of commenting on Mr. Chapman Pincher's rumours and speculative stories because one becomes accustomed to them.

QUESTION: Sir, the Chambers of Commerce in their final session yesterday, agreed to try and sponsor a guarantee scheme for Commonwealth countries to guarantee investment risks in some of the lesser developed areas and they propose that this should be part - -

PRIME MINISTER: Don't tell me; I haven't read it. I'm certainly not going to comment on it, whatever it is. They didn't deliver the paper at my house this morning before I left.

Sir Garfield Barwick will be acting Minister for External Affairs while I'm away. I notice that there has been some speculation about "Why Mr. Hasluck?". Well the answer, of course, might be "Why not?" Mr. Hasluck I'm taking with me for very good reasons. He's been deeply immersed in his territorial problems for years now without any intermission and I think that this will be very helpful to him to get a sort of distant perspective on these things; to come with me to have discussions with the Colonial Administration in London; to go over to The Hague and have talks with the Dutch; to have discussions in New York with members of the Trusteeship Council and Trusteeship Organisation; putting our point of view and explaining our policies that are being pursued. I think it's very valuable. It has no significance beyond that.

QUESTION: Might he be useful to you on the question of racial problems, integration, if those matters are discussed?

PRIME MINISTER: If those matters are discussed, yes. Oh, he'll be extremely useful to me because he's very experienced and intelligent.

QUESTION: ~~Do you seek to address~~
~~Do you seek to interest~~ the Trusteeship Council formally, Sir?

PRIME MINISTER: Oh, I couldn't tell you that. I don't even know whether it could be meeting. Their Headquarters are in New York and that's all I had in mind.

QUESTION: Does your statement, Mr. Menzies, suggest that you will retain the External Affairs portfolio indefinitely?

PRIME MINISTER: I think the last time I was asked about that I said that that would depend entirely on how I found I was holding out with it.

QUESTION: Have you found out yet Sir?

PRIME MINISTER: Well, I'm so far not very embarrassed by it. No I've got Senator Gorton doing a lot of work.

QUESTION: Is he doing any policy stuff, Sir, or is that all?

PRIME MINISTER: Well, not major policy stuff. I mean questions - well they're not really policy stuff I suppose - but questions of approval under the Colombo Plan, they involve, I suppose elements of policy - well he deals with those. There's a good deal of routine, or semi-routine administration which takes up time. The things he attends to are broadly those things which are not top policy or

matters which involve some major decision. In which case he refers them to me and, if necessary, discusses them with me. So far it's working all right but nobody can pierce the mists of the future.

QUESTION: Will Mr. Hasluck present to the Dutch Government in his discussions any specific plans for the future of New Guinea?

PRIME MINISTER: Oh, now look, he's not going to Holland to present plans. Really why always force the cards in this way. He happens to be the Minister for Territories, Australian-New Guinea, Papua. The Dutch happen to be the proprietors of West New Guinea so of course he'll call on the Dutch. We have administrative contacts with them therefore he'll be very interested to talk to their people. Their man came out here and talked with us.

QUESTION: His visit will be the equivalent, in fact, of the visit ..

PRIME MINISTER: That's right; but we didn't discuss plans with their Minister who came out here, nor will Hasluck have any proposals to put before them. There's always an assumption you know, about these international things that you go along with a plan and if it's got four paragraphs in it, it's a four-point plan. That's a good headline you see. But you never go with a plan. You go to have talk about things. You go to let the wind blow the conversation around the room. You just take it as it goes. Something may emerge from it. You don't go in with a statement of claim.

QUESTION: Can you give us any thoughts on the general London Conference, Sir?

PRIME MINISTER: Oh, I think it's going to be very interesting because it's just, as you know, just before the Summit and I've no doubt Mr. Macmillan will look forward to discussing with the other Prime Ministers the problems that will arise at the Summit; one of the major things of which, no doubt, will be the disarmament problem, which has run into some difficulties in Geneva and which I think, myself will probably need some direction from the Summit if it's to be brought to finality. But I anticipate that he'll be very frank about what he has in his own mind in discussing that problem with us. I suppose it will be too much to expect that he'll get eight or nine views all of which coincide. But he'll get some considerable benefit, no doubt, in having ideas thrown around at the table. That I rather think is going to be the major object of the exercise. We may also have some talks about the future of Cyprus as to which there is still some uncertainty. There will be a proposal from Ghana that, on becoming a Republic, Ghana should remain in the Commonwealth. But we've no agenda. We never do. What happens, in fact, at a Prime Ministers' Conference is that, for example, a Foreign Secretary, whoever he may be, will, at a certain stage, give a conspectus of the foreign situation and current problems, and then we discuss them - exchanging ideas, getting further information where necessary. At another session the Chancellor of the Exchequer will come along and he'll open an economic session and discuss his own budgetary policy, the position of the Sterling area and what goes on in relation to convertibility. Another time the President of the Board of Trade may be invited to come and discuss the European common market.

QUESTION: Do you think there'll be any serious discussion on that? The Chambers of Commerce are very concerned about the developments.

PRIME MINISTER: I don't know how serious a discussion there'll be. But that there will be some discussion is quite certain because we're interested and Canada is interested. Whether those discussions will occur in the full meeting of Prime Ministers, or whether they will be talked out by two or three of us with the Board of Trade, for example, I don't know at this stage. We don't have an Agenda paper.

QUESTION: Do you think it's on the broader racial question rather than South Africa—that there will be a possibility of that being discussed.

PRIME MINISTER: Well, I don't know. I've not heard it proposed. The rule that has been applied in the past and by nobody more zealously than one or two of the Asian members of the Commonwealth is that we don't discuss matters at issue between two members of the Commonwealth. In other words we are not a board of adjudication. And that means - for example this problem: these arguments that go on about South Africa. They will almost certainly not be discussed in the Conference but that there will be discussions in private in an informal way, I've no doubt. I, for example, would hope to have a talk with Dr. Verwoerd before the Conference begins. I'd like to add to my own knowledge of, not only the events, but the policies that lie behind them. That's quite inevitable and I'm looking forward to that. It will be very interesting. I gather that my colleague the Tunku Abdul Rahman is going to raise this matter, but not, I think, in what I'll call full session of the Conference. Because that's against our practice, and, indeed, it's very undesirable because if you get to that point you can have somebody wanting to move a resolution or something of that kind.

QUESTION: Is that rule always observed Mr. Menzies?

PRIME MINISTER: Always, in my experience. And again in my experience and I am the oldest inhabitant, no motions are ever tabled and no votes are ever taken, though some of the suggestions I've read are a little bit revolutionary. No votes. As a matter of fact when we produce that superb collection of clichés known as the communique, at the end of the Conference, it is a collection of clichés only because everything in it has to be agreed to by everybody at the table.

QUESTION: Is it a fact, Sir, that each Session is put aside and re-arranged at the next Session?

PRIME MINISTER: Well if you said that, you'd have some prime facie evidence to support it. That's the position. You've been discussing some matter, it's very interesting, it's worthwhile referring to it and one Prime Minister says "No". I object to any reference being made to that subject" and that's out. ~~That's why it's a bit "blanc mangé"~~.

QUESTION: Have you had any recent news of developments on South Africa Sir, apart from what you said?

PRIME MINISTER: I know that what I've said about this matter not being a matter of debate in the full Prime Ministers' Conference, coincides with Mr. Macmillan's view and I've no doubt that on examination it will be the generally accepted view. I know for example that Mr. Nehru will agree that this kind of problem is not a matter for full session.

QUESTION: Can you tell us, Sir, what the Commonwealth is giving Princess Margaret as a Wedding Gift?

PRIME MINISTER: No I can't.

QUESTION: Reverting to that again, Sir, has our High Commission

er in South Africa given a second report on this or in any way dealt with the circumstances of Sharpeville?

PRIME MINISTER: Oh, he's written one or two quite lengthy letters on this matter but I don't think there's anything very fresh in them. That's all I'll say about that.

QUESTION: Do you think these discussions in London will ease the situation at all, Mr. Menzies?

PRIME MINISTER: Well, I don't know. I, for one, always hope so. At any rate any talks which, again I repeat, will be private and informal, must do good because they must produce explanations of policy, for example, which will be valuable. You see there are two aspects in a matter of this kind. One is these terrible incidents which shock everybody. You may assume that these are the direct consequence of a policy or you may think that they are not, but that they are sort of inadvertent by-products of some policy. Well, we'll know more about that when we read the results of the judicial investigations that are in hand in South Africa. I don't know whether my colleagues in London who desire to talk about this matter, want to talk about the incidents, or want to talk about the policy. I'm myself vastly interested to understand the policy while always remembering that it's South Africa's policy, not mine. It is their business, not mine.

QUESTION: Sir, if the South African Prime Minister takes that viewpoint it might not be discussed at all?

PRIME MINISTER: I've no reason to suppose that he won't discuss it with me, for example. I think he will. I'm sure that he will be willing to discuss it with people, but not in the Conference Room with the threat that some people have hinted at, of emotion. I wouldn't expect that he would do that. But I've not the slightest doubt that this matter will be freely discussed.

QUESTION: Is there any fear that the colour question may divide the members at the Commonwealth Conference?

PRIME MINISTER: Oh, I won't say anything about that. We've got along pretty well so far. No reason why we shouldn't.

There are just two comments that I'd like to make which are worth having in mind, I think. Those who talk about expelling South Africa from the Commonwealth, if such a procedure is available, I think overlook the fact that there may be a great number of people in South Africa including a considerable number of Africans, who want to be in the British Commonwealth, who don't want to be thrown out of the British Commonwealth.

QUESTION: You mean the Dutch people?

PRIME MINISTER: No. I mean Africans - the coloured people, the Bantu. They call them Africans. Well, how does anybody here know? There might be millions of them who would not want to be out of the Commonwealth, who feel that in a membership of the Commonwealth they have some protection for their future. You don't know. I don't know. Under those circumstances to say to South Africa: "You're out of the Commonwealth" may be to punish the wrong people. Now that's point No. 1.

Point No. 2. I'm glad to see that this nonsense about a trade boycott is beginning to fade out of the picture because never was anything sillier suggested. What's the object of a boycott? I suppose it is to punish the Government, the present Government of South Africa, or

to affect its policies. Suppose if Australia imposed a boycott. It's worth remembering that perhaps the largest single item of import we have from South Africa is fish and the great bulk of the people engaged in that industry in South Africa are coloured people. So in order to show our sympathy with them we put them out of a job. A boycott always was a blunt instrument, but if you apply it to the trade between South Africa and Australia its stupidity and injustice become perfectly clear. Anyhow, I don't think anybody in Australia seriously suggests it.

QUESTION: On a more local subject Sir, have you any hint of a kind of programme in mind on monopolies and other legislative ...

PRIME MINISTER: No. I haven't. The Attorney is at work on that matter. As you know it's a complex thing. Well he's bound to hold it until I get back because this is going to require a great deal of examination. I would hope in the Budget Session.

QUESTION: Would a referendum be involved in this?

PRIME MINISTER: A Referendum?

QUESTION: Mm. Like more Commonwealth power to deal with ..

PRIME MINISTER: Oh, I ... Look we haven't yet come to any decision about this famous report on the amendment of the Constitution.

QUESTION: It would be an interesting paper if you took the whole lot of them wouldn't it, Sir?

PRIME MINISTER: Yes.

QUESTION: Do you have any particular monopolies or restrictive practices in mind ..

PRIME MINISTER: Now, look, I'm saying no more about it.

QUESTION: Sir, Sir Thomas Playford has suggested that it would be a fair thing if the Commonwealth and the State South Australia pay half each of the cost of his proposed dam on the Murray. Have you any reaction to that?

PRIME MINISTER. No comment.

PRESS MAN: It's quite surprising that he wants to pay half, isn't it? (Laughter)

With the compliments of:

Mr. Hugh Dash,
Press Secretary to the Prime Minister.