

SPEECH BY THE PRIME MINISTER, THE RT. HON.  
R.G. MENZIES, C.H., Q.C., M.P., AT THE BRIGHTON  
TOWN HALL ON WEDNESDAY, 13TH JULY, 1960

Sir, Parliamentary colleagues and ladies and gentlemen:

In speaking to you tonight I want to say something about affairs inside Australia. Although one or two sections of the newspapers don't appear to like it, I would also like to say something about affairs outside Australia, because not for the first time in our history they are of vital - literally vital - importance to the people of this country. And a Prime Minister who is not prepared to say something about them, is not fit for his office.

But, Sir, before I pass on to that I want to say something about affairs inside Australia. And in particular I would like to say something very brief supplementing what my distinguished colleague Senator Gorton and the candidate have said to you about the development in this country over the last ten years.

I have yet to encounter anybody - and I will warrant that none of you have encountered anybody - who is prepared to say that the people of Australia, by and large, in material terms, are not better off today than we ever were in the history of Australia. I don't need to quote individual statistics. The fact is - I just put this to all of you - that if we could go back to the time when we were children, go back to our parents and our grand-parents and ask them to imagine the state of life in which 95% of us live today, they wouldn't have believed it possible. Have the people re-elected us because things have been going bad? Or have they re-elected us because they felt, year by year, election period by election period, that things were going well. Now I don't need to repeat all these statistics. Statistics are frightfully interesting things. I much prefer to say to the human beings who are here, and who may be listening: you test it for yourself: look back over your own experience. What is it that a divided Labour Party with Leader quarrelling with Deputy Leader, with factions fighting around every corner, what is it that the Labour Party can give you which you haven't had from your own Government. That is a fair simple test and all I ask is that sensible people should think about it.

Now I have taken some interest, casual interest, in trying to follow the to and fro of my opponents, particularly my good friend Arthur Calwell. (Interjection: How can you, you're never in the country) Now, wait a moment, wait a moment son. (Interjection: You're never in the country) Oh, is that so? (Laughter) You know I always know when I am winning because when I am winning somebody tries to make incoherent noises so that I won't be heard. I want to tell you I am too long in the tooth for that.

Sir, my good friend Arthur Calwell, the Leader of the Opposition, he leaps on to a band wagon - have you noticed it? - every morning. It's a different band wagon. If he reads a criticism in a newspaper - which is not difficult - then that is his policy for the day. (Laughter) Or at any rate until the afternoon newspapers appear, when that is the policy for the evening. (Laughter) And that is very amusing. I enjoy Arthur. I've enjoyed him for many years. I hope to enjoy him for many years to come. (He enjoys you too!) I couldn't enjoy anything more. But what is he going to do about all these things? Have you discovered how he proposes to improve the present state of Australia. I am not talking about funny little doctrinaire ideas about socialism and so on -

they are all so stupid that most people in Australia reject them out of hand and most of the Labour men apologise for them.

I wonder if you know that this Labour Party which moans and groans about Social Services and is prepared to offer everybody pie in the sky, I wonder if you know that in the last year in which they held undisputed power in the Federal Parliament, 1949, they spent in the last full financial year, 1948-49, of what I will call for this purpose, the Calwell Government, the total payments of Social Services, a topic now dear to their hearts, was £80m. and that in our last completed year of office it was £300m. The £80m. boys come along and promise you everything. We perform. We have never made a Social Services promise - and don't put your hand up to your face, it doesn't improve you - we have never made promises that we have not performed. (Interjection). Oh, yes. I know all about that. How many pounds a week do you earn, sir? He can't answer that, you see. The fact is that he is earning about four times as many pounds a week now as he could have earned in 1949. (Interjection) 'Value back in the pound'. Value in the standard of living in Australia, yes. And nobody could deny - not even my vociferous friend - that the standard of real living in Australia is at an all time high in the history of the country. Nobody could deny that our provision for the poor and the aged, the invalids, the pensioners, is at an all time record in the history of Australia. What I want to know is what, at this by-election, at which apparently the Labour Party has given up the ghost and is not appearing at all except to hand out cards on Pelling Day, what are they telling you that they are going to do for Australia which we can't do and haven't done and are not doing? Now that is a very sensible fair question. And that, in reality, is the only question that you need to worry about, I venture to say, in this election.

But Sir, my friend down here got in early about inflation and I assume that he is a Labour man. (Interjection) Well I am assuming that, sir, in your favour. (Laughter) And assuming that he is a Labour man I am very interested in the question, because I noticed that the Leader of the Opposition has something to say about inflation. It is very interesting to me - you know I am a sort of old hand now in the Federal Parliament. I have heard all these arguments time after time. I've heard these prophecies. And every time I hear one from my friend, the Leader of the Opposition, I think of the expression, you remember, 'And if there be prophecies, they shall fail'? Because every prophecy he ever made has failed.

I remember, and my friend Rossiter here, on the platform, will remember it: there was a by-election in Flinders and we lost it because the Leader of the Opposition, and in particular my distinguished and prophetic friend, Arthur Calwell, were going around saying, "In three months' time there will be mass unemployment. In three months' time you will be ruined. Spend all your money. It won't be worth saving." Dear me, it made my flesh creep even to read about it. (Interjections) And as a result of all this silly tattle, they won the Flinders by-election. But they didn't hold it beyond the next General election because by that time people had discovered what arrant rubbish it was. (Interjection) Not a change of heart, a change of knowledge. They had discovered then, that although it may be the professional technique of an Opposition of this kind to cry Calamity, to prophecy gloom and disaster, the people who ought to be running the country are those who meet the facts and who deal with them; who are optimists and who look forward to a general recovery of the country. And how right they were, in 1954, when that General election occurred, because from that time until this Australia has made unbroken progress.

But one one thing that my friend goes back to occasionally is inflation. Now I have many times said and done things about inflation - and some of them very unpopular. But there was a time, only a few years ago, when my Labour opponents in Parliament used to describe talk of inflation as a mere bogey. "Nonsense!" they used to say: "All this talk about inflation is, I suppose, a capitalist trick to deceive the worker". I used to hear this kind of thing time after time in the Federal Parliament. What has the Labour Party offered to solve inflation. Because, after all, inflation - if we may reduce it to its simplest terms - is a state of affairs in which there is a greater demand than there is supply and therefore the cost of the thing you want goes up: whether it is the supply of money, or the supply of goods or the supply of services.

This problem of inflation is a tremendously difficult one. Every country in the world has encountered it. Every country in the world has had to do something about it. We have been acting along the lines of a policy design to check inflation, to hold it within bounds, and, ultimately, to arrest it. But what does the Labour Party propose about it?

Now I gave myself the trouble - it was a pleasure as well as a trouble - to write down on a piece of paper what I understood to be the Australian Labour Party's answer to inflation. I derived this entirely from reading in the Press what Mr. Calwell has said and I have been reading, as far as I can, what his Deputy Leader has had to say - and of course I have heard them in Parliament - and I'm not unacquainted with their views - and I see that the first thing that Mr. Calwell wants to do is to spend £60m. a year in the Northern Territory. Oh, yes - £60m. a year in the Northern Territory. (Interjection: A flea bite) A flea bite you say, Sir. I compliment you. Because the last year he was in office and had all the power in the world he spent £12m. And we now spend about £14. or £15m. Not too bad, when you consider everything. But he thought better of it and - as he doesn't expect to win an election or to be made Prime Minister - he can afford to be a little easy, a little at large - it doesn't matter if the clothes are cut a bit too big - and therefore he says: £60m. on the Northern Territory. Well as an answer to inflation I don't quite follow it. (Interjection: No you wouldn't) (Laughter) No, of course I wouldn't. £60m. more money but how many more goods or services to buy. His Deputy Leader, stung to rivalry -- yes, stung to rivalry - by his Leader, has undertaken to say that we ought to spend £100m. a year on foreign aid. (Interjection) Of course you would. You are the kind of fellow that would make it £300m. - like a Labour leader - as long as you didn't have to find the money. (Laughter) (Interjections)

Then, Sir, the next thing that I see they are going to do is to restore import restrictions. They must mean that because they complained violently when we took them off. Almost as violently as they complained, a few years ago, when we put them on. You know you can't be right, can you, on these matters. But he is going to restore import restrictions because there are too many goods available to be bought according to his view. He is going to increase Social Services? He would be hard put to it to beat our record. He is going to increase the cost of production. (Interjection) Of course. "Hear, hear" says his devoted follower. (Laughter) Increase the cost of production: that's a fine anti-inflationary measure. And above all things, Sir, to reach the height of the ridiculous, he has developed a tremendous hatred of overseas investment in Australia.

This is the Labour Party's - what - anti-inflationary policy?

Now just let me say something about the last one: the hatred of overseas investment in Australia - usually associated with some extraordinarily profitable concern. (Interjection: Don't you like people to be inconsistent?) I love it. (Interjection: I thought you did) It gives me such an advantage over them. (Applause)

Now, Sir, overseas investment. I just want to say this: that one of the notable events in our period of office is that Australia, which was in no sense attractive to overseas investment when we came into office - quite the contrary - because of Bank nationalisation and all those eccentric affairs, has, in these recent years, attracted from overseas - and in spite of theories to the contrary - mostly from Great Britain, something like £100m. a year of private capital investment. I am not talking about Government borrowing on Government account from the World Bank or wherever it may be, but private capital investment brought in here by private enterprise, producing enormous factories, enormous developments and employing scores of thousands of people. That has happened in the last ten years and increasingly during the last six years. Is that unimportant to us? I wonder whether we would have gone as far as we have or have had as much production as we have had, or have had as much employment as we have had, if we hadn't received this proof of confidence from people outside, not only in the future of Australia but in the stability and honesty and reliability of its Government. (Applause)

I remember one election - not long ago - speaking to a lot of employees in a vast works - not very far from here - and my opponent of that time had only the previous day denounced overseas capital in Australia. I tell you I had great fun saying to four or five thousand men: "Now of course you know that these works were established by American capital. Are you in favour of American capital? Are you hostile to the jobs that you are now occupying. This silly little Australian outlook - the littlest Australian outlook: we're not to have people coming in from outside; we're not to have money coming in from outside. I tell you, ladies and gentlemen, if that doctrine prevails then Australia's progress will come to an end. Ten million people in a country of this size, in a Continent of this size, can't possibly themselves, out of their savings, produce all the capital that they need for the vast development that we must have in this country.

And therefore I can only conclude that if we had a Labour Government they would say to these people: "You stay away; we don't want you". (Interjections) Now look, if you want a little technical advice, the three of you have got most unmusical voices, you all shout at the same time and you drown each other. And the result is that all you are is a rather foolish noise off-stage. You take my tip as an old interjector: "Get the other fellows to shut-up; then speak very, very clearly and slowly." Everybody will hear you and so, unfortunately, will I. (Applause)

Now, Sir, having said a few things about that matter might I just say something about another matter which is primarily outside Australia, though it has great concern for us.

If there is one thing that is pretty obvious in the world today - we discussed it a great deal at the Prime Ministers' Conference in London - it is that there is a stirring of the movements of self-government in Africa far more acute - (Interjections) - well if you like it, listen, (Applause) - there is a stirring of the movements of self-government in Africa, the whole of Africa - Africa contains over 200 million people - and this stirring is stronger, swifter, than anybody ever thought of before. And the result is that we have all had

to think hard about what happens when countries which have been colonies or territories want to govern themselves - a very natural feeling, a feeling that grows stronger as more and more people in the community are educated and learn to think and learn to assume or assimilate the ideas of Government. And the result is that we have seen in the last few years - and I've had great reason to understand about it because I have seen their leaders - repeatedly we have seen the coming to life in Africa of a new Commonwealth member in the shape of Ghana up above the Gold Coast, Nigeria up above Lagos, Nigeria which is a bigger country than Ghana and which will become fully independent and fully a member of the Commonwealth inside the next month or two. We have right across Nyasaland and Rhodesia and Kenya great movements for self-government. And south of some of these on the western side you have the Congo which has now been given self-government and, unhappily, at the moment, doesn't know what to do about it; and is involved in riots and wars and feuds of the most formidable kind.

Now, Sir, what to do about these events is a matter of tremendous concern. Because, ladies and gentlemen, the position is: it is easier for people to ask for and obtain political independence than it is for them to achieve economic independence. This is one of the great problems. (Interjection) Of course you don't agree but every one of the nine Prime Ministers at Downing Street agreed. And so therefore you must dissent from them. This is one of the great problems and I regard it as a great and grave problem. Because if countries become independent, politically, so that they govern themselves in a political sense, but they are economically dependent upon other people, then the Communist powers will see an easy opportunity of coming in with help and thereby buying themselves into some measure of internal control. And, Sir, that is why the economic position of these countries is, in my opinion, a tremendous challenge to the free nations of the world. More and more and more, all the free nations of the world will have to realise in relation to these new countries that they are their brothers' keepers; that they must help; that they must do what they can to forward the economic development of these newly emerged self-governing communities. And, Sir, we had a great deal of discussion about that and a great number of studies are in hand on that point. Every seriously minded man who is concerned with world affairs recognises this problem and wishes that something may be done about it.

But, Sir, there is another aspect of self-government which I venture to say is very considerably misunderstood. Indeed, some of the things I have said about it myself have been grossly misinterpreted.

Last December I had occasion to take a short journey into Indonesia and a short journey into Malaya. Now here you have two countries, both of which have achieved self-government quite recently: Indonesia in 1945; Malaya two or three years back. But the difference is this: that in the case of Indonesia the achievement of independent self-government was preceded by war, by conflict, by bloodshed, by hatred. And the result is that there are still echos of these things in Indonesia, and Indonesia has yet to settle down into a stable Government, stable economy, with no internal armed conflicts. But in the case of Malaya: Malaya was a British colony administered originally from the United Kingdom, the one great colonial power in history which has understood the responsibility of having colonial territories.

When Great Britain saw that the time was coming when Malaya would wish to have self-government, when the Malaysians would wish to govern themselves, did they do it in a spirit of reluctance or conflict? Not at all. They first of all,

conjointly with Australia and New Zealand, invested forces in Malaya in order to get rid of the Communist bandits, in order to give the Government a chance to work and to survive. And they then, on a Constitution drafted by the representatives of half a dozen Commonwealth countries, and presided over by one of the Lords of Appeal of Great Britain, gave complete self-government to Malaya, under their very distinguished Prime Minister, the Tunku Abdul Rahman.

And, Sir, in Malaya what did I find? Hatred? No. Friendliness? Yes - in abundance. The old English and Scottish firms, Irish firms, carrying on their work as of old in Kuala Lumpur and in Penang and so on. Up in the hills on some hydro-electric work where you would expect the Chief Engineer to be a Scot, he was one. This I think was a superb example of how much better it is that Independence should be achieved in friendship and with goodwill, than that it should be achieved by revolution and blood. (Interjections: What about Sharpeville?)

My dear sir, I know nothing more than you do about Sharpeville. Now don't get yourself misled by Sharpeville. There have been thousands killed in Africa, outside South Africa, for everyone who was killed in Sharpeville. I regret to tell you that a great deal of the independence that I have been talking about has been followed, if the circumstances were not right, by bloodshed; by the deaths of hundreds or thousands of people. What I am saying is that our method, the British method, is the best. If there is to be Independence, let us have it with friendliness. Let us have it with goodwill. Let us, above all things, precede it by training the colonial peoples in the art of self-government, in the art of administration. The great secret of India, for example, as a self-governing country today is the old Indian Civil Servant. The fact is the British trained people, they brought up a great number of people, thousands of Indian people, and people from Pakistan as it is now called, and they were trained into the Civil Service, they were highly educated, they have become great experts - I've known quite a few of them. And Sir, without them, no self-government could have been instantly or very quickly, efficient. That is the whole technique of the British Colonial System and developing colonies into self-governing nations.

Now Sir, I just want to take that proposition and reduce it to a point - (Interjection) I know; I read somewhere today from some goat that people don't want to know about affairs overseas. Every thoughtful Australian does. (Applause) Thoughtful Australians know that these things are of supreme importance and as long as I think they are of supreme importance I shall so describe them.

I just want to bring out the point of what I have been saying because I am going to relate this to one of our own territories. I want to bring out the point. And the point is that provided you do your best to develop the people in the colony or territory, provided you do your best to give them education, health services, a knowledge of the instruments of government and bring them to a point where they can first participate in government and then take it over - if they are so disposed - if you are pursuing that policy, as we were in Papua and New Guinea, then if you get to a point where you think they may be - you're not sure that they may be ready, you think they may be - that last point which may come in 30 years' time, I don't know, whatever period you care to name - then I say: "It is better to take some small risk of doing it a little too soon than to delay it to a point where the agitation for it breaks out into hatred and rebellion". (Hear, hear) (Applause)

Now that is my view and I would have thought there was nothing very strange about it. (Interjections) Nothing very strange about it. Do I gather you disagree with it? (What have you done for New Guinea?) Because if you disagree with it you are going to be in great trouble as a Labour man because Mr. Calwell thinks I am talking about it too soon and Mr. Whitlam says it ought to be done now. (Laughter) All I can do is tell you our view on the matter.

I wouldn't be foolish enough to suggest that this is a matter that can be achieved in a few short years. Of course it can't. (Interjections) As there has been a certain amount of reference made to what I said about this matter- or rather to what was alleged that I said - I think I might quote you the verbatim report from the tape of what I said about this when I came back to Sydney a few weeks ago. (Interjection: We got it in the Press) Oh no you didn't; that's why I am quoting it to you. I said:

"Whereas at one time many of us might have thought that it was better to go slowly in granting Independence so that all of the conditions existed for a wise exercise of self-government, I think the prevailing school of thought today is that if in doubt, you should go sooner not later. I belong to that school of thought now, though I didn't once. But I have seen enough in recent years to satisfy me that even though some Independences may have been premature, where they have been a little premature they have at least been achieved with goodwill. And when people have to wait too long for their Independence then they achieve it with ill-will and that, perhaps, is the difference between British Colonial policy in this century and that of some other country."

And then somebody said: "Would you apply that to New Guinea?" and I said this:

"When you say 'apply that to New Guinea', yes. But that does not mean that I belong to this fancy school of thought that you write a timetable out and say that in ten years' time so and so, and in 20 years' time, so-and-so. That is just silly" - (Interjection) Believe me my boy I've heard it said in other countries, very definitely- "But we are all doing a faithful job of work in Papua and New Guinea. We will go on doing it."

And then I went on to say "that we may get to a point or my successors may get to a point, where they say: "Well maybe if we allow them to determine their future now, it is a little premature: I would sooner take that risk at that time, than leave it too long!""

Now Sir, and ladies and gentlemen, I think if I may say so, that is good commonsense. That is all. Nothing very revolutionary about that: it is good commonsense. But, ladies and gentlemen, there is now being built up around this, some sort of idea that we ought to be out of New Guinea and Papua in a few years - a few years. And the result is, if that view obtains currency, that the development of New Guinea for self-government will be greatly postponed. Because what New Guinea and Papua need for their economic development for the development of their population, is a steady inflow of investment in those lands so that their rural industries may be developed, their cattle industry developed: all these various things which mean a rising standard of living for the New Guinea people and for the Papuan people.

All these things require confidence and investment and I do wish I could persuade people who are talking about

"Out in five years" to understand that if they are believed they will make it impossible to be out in many many more years than that. We want to see a steady development as fast as possible, according to our resources. And after all, we are spending a great deal of money in New Guinea, or you are, through us. We want to see all these things go on. But above all things it would be idle to talk about giving self-government to the native inhabitants of New Guinea and Papua unless you had developed their economy in their country so that they had industries, so that they had employment, so that they had a standard of living of a kind that we would recognise based upon their own efforts in their own country.

Now Sir I apologise for having discussed these matters because, of course, apparently they have nothing to do with Balaclava. But they have a great deal to do with the future of this country: a hostile New Guinea would be deadly from Australia's point of view. A friendly New Guinea is essential to Australia. And the right way to get it is to pursue in a perfectly normal, sensible fashion, the development of this country and the development of its people. Not being turned aside by cheer-chasers or by violent advocates on one side or the other, but going straight along the track and saying: "Our ultimate objective, as Australians, is that we shall bring these people to a point when they are fit to rule themselves and to determine their own future". When we have done that we will have discharged a great trust for humanity and we will have brought great credit and, as I think, great security in the true sense, upon ourselves.

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