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BROADCAST BY PRIME MINISTER AND ACTING
TREASURER, THE RT. HON. R.G. MENZIES, C.H.,
Q.C., M.P., ON TUESDAY, 6TH SEPTEMBER, 1960

Good Evening!

Tomorrow, 7th September, the Commonwealth will offer to the public three separate loans.

In one, we will be seeking to raise £30 million in cash towards the Loan Council borrowing programme for this financial year. Under this loan, there will be a choice of three securities.

Next, a new series of Special Bonds will be offered. The rates of return on this series will be somewhat higher than those of the earlier series and, as in them, the new Bonds will have the attractive features that, after the first interest date, the bonds can be cashed on one month's notice and the amount to be obtained on encashment will increase at intervals through the life of the bond.

Thirdly, we are offering for conversion two earlier loans which mature on 15th September and 15th October respectively. The securities can be converted either into the new securities offered in the general cash loan, or into the new series of Special Bonds.

Perhaps I should say a word or two as to why we are again this year seeking to raise large amounts of loan money for public works. In the last financial year, the total expenditure on public works in Australia was £584 million, which was about £50 million greater than expenditure on works in the previous year. The total must continue to grow for the simple reason that our country is growing. Let me remind you of some facts that show how the need for public facilities and services is continually on the increase.

During the current five years to the end of 1960/61 we will probably have added 1,100,000 people to our numbers.

Within that total there will have been an increase of some 450,000 children under the age of 16 - the school population in other words. I look at the schedule of public works and see that capital expenditure on schools and other educational public buildings was last year £40 million, an increase of just 100 per cent over the five years.

I look at another item - the provision for supply of electricity. The total spent last year was £123 million. The demand for electricity for domestic purposes, industry and transport is growing at something like 9 per cent per year.

I see that expenditure on roads and streets was something over £120 million. But then I also see that the number of motor vehicles registered in Australia has increased over five years by 580,000 or 27 per cent. Small wonder that there is a great and increasing demand for money to spend on roads and streets. And so it is with almost every item in the long list - post office, railways, water supply and sewerage, ports and harbours and so on.

We cannot raise all the funds we require for these capital works by loans either here or overseas, but we raise as much as we can and it is entirely sound policy that we should do so, because the benefits that will accrue to the community will be spread over many years.

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On the other hand, the loans we float offer to the public good, sound secure and quite remunerative investment.

Equally, it helps the Government, and the community, if people convert maturing bonds into new securities. The more bonds converted, the less cash the Government has to find for redemptions, and that means less out of Revenue.

May I therefore commend these loans to you and ask your support for them - whether as cash subscribers or as holders of the securities put before you for conversion.

Goodnight to you all.

CANBERRA,⁷
6th September, 1960.