Sir, Your Excellency, Mr. Premier, Lord Mayor, and gentlemen:

I am the first "dish", as you might say, on a remarkable programme. I am to propose the Toast of "Australian Industry"; it is to be responded to by Mr. John Walker who reveals himself for the first time in his true colours, I'm told, as John Noble Walker. (Laughter) Then you are to hear my friend, Mr. Herford, propose the Toast of "Parliament", with a tongue in each cheek - if that is anatomically possible; that is to be replied to by Dr. Heffren. (Laughter) No, no, no, I wouldn't have you believe for one moment that there is anything silly about that, because Bob Heffron and I are both Doctors of two Universities in this State - and if he creates a third we will cut each other down becoming a Doctor of the third. But anyhow we are Dr. Heffron, and Dr. Menzies. I am a Doctor of Science - now this is a wonderful thing, you see, a Doctor of Science of the University of New South vales - and a Doctor of Laws of the University of Sydney. Bob Heffron is a Doctor of something or other, I've forgotten, (Laughter) of the University of New Scuth Wales, and he's a Doctor of Letters, believe it or not, of the Sydney University. Now I have never seen anything in the letters that he has addressed to me (Laughter) over the last few years that would justify this magnificent award. Then you are going to hear a Toast of the "Guests" proposed by John Burnett who really is a man of immense talent on these And then it is to be replied to by the Lord Mayor of Sydney who has more or less - I wouldn't want to be dogmatic about this - agreed with me that in replying he will sing "I left my love in Bennelong" (Laughter, applause).

Anyhow, Your Excellency, I would not want to introduce you into any of these secrets of the charnel house, but that, more or less, is the programme. All I am serving to do is to be the ice-breaker: I'm to propose the toast of Australian Industry which, by common consent, in this room, is Australian secondary industry. That is something worth thinking about, isn't it? Because after all Australian industry is a magnificent conception.

I was born, little as some of my opponents might believe it, (Laughter) in the bush, a geographical circumstance in which some of my opponents think I still live. (Laughter) Of course we are not talking politics but one of the earliest things that I remember about politics was that my father, who was a very dynamic, powerfully minded person, and who had strong views, and who didn't readily admit the existence of any others - you know what I mean? - (Laughter) - a bit awkward for a third son - he used to be waving his hard at me and talking about the system of protection of Australian industries. Well, in a wheat-growing neck of the woods, this must have been regarded as a little odd. But not for him, no. 'Robert I would have you understand this and that'. And when your father - I'm going back a fair time - says 'Rrrobert I'd have you understand this and that', by jove you sit up and take notice - otherwise you bend over and take more notice! (Laughter) And so I was, as you might say, Mr. Chairman, born and bred a protectionist. I am sorry that occasionally I have to tell some of my friends that I still am. I believe in Australian industry; and I believe in Australian industry; and I believe in Australian industry; and I believe in

I remember a time, so long ago that it was before the time when I first became Prime Minister - if you cast your minds back - (Laughter) - when people used to argue about protection and free trade. Those days have gone, they really have gone. There is no earthly occasion for us to revive them. Because as time has gone on in this great country of ours we have discovered more and more that, splendid as our past has been, our future is illimitable.

But our future is illimitable only if we come to understand without arguing about it, come to believe in our guts, that we will produce things for the rest of the world to buy, from the soil, and from our flocks, that we will produce things in our factories which millions of people not so far away from us will buy, that we will have the land industries, and we will have the factory industries and we will have all the subtle developments of these things available to us so that we will take our place in the world.

It is worth thinking for a moment about what our place in the world is to be - not just a quiet little corner of the world, not just a relatively small nation hoping that nobody will take offence at anything we say, not just a few million people who hope to be left alone, because a few million people who hope to be left alone in this modorn world are living in a world of delusion. They won't be left alone.

It is our duty, and our privilege, to develop this country of ours so that the day will come when our great grand-children will not be very worried about being alone; but will know that they have strength and character and fortitude and capacity and can hold their place in the world. We happen to be not at the end of some phase, but at the beginning of it, for what we do this year, and in the next 10 years, and in the next 20 years, will determine what is going to be the position of our country in the world. This is tremendously important.

It was not very long ago that people began to argue about the European Common Market. I am not going to make a ponderous speech to you about that matter because the United Kingdom, God bless it, will determine that matter after discussion, in due course. We, of course, will be on the sidelines pushing our claims to protect our interests. And that is quite right. That is not a party matter; everybody will be on the same side in this matter.

But suppose that the United Kingdom ultimately determines, on the comitions that can be worked out, that she is going into Europe - because that is what it means: not the old balance of power, not standing outside putting a nudge here or a nudge there, but going into Europe, to be, as it were, primus inter pares, as those who have learned Latin more than I have will understand - if she determines that, then that will be her decision. That may turn out to have enormous advantages for the world. But we, as Australians, will still want to think about our own country, our own industries, our own future, the growth of our own population - not in a spirit of hostility, but serving the first duty that we have, which is to our own country, and to our own people.

Therefore we are just entering on a period which is, I think, of tremendous importance, which will call, not for extravaganzas on the part of people, but for tolerance, level heads, quiet minds, and underneath it all a genuine Australian patriotism.

I get very tired of people who want to say to me that "so-and-so is a free trader", that "so-and-so is a protectionist", that therefore there is aworld of difference between them. Now I am a protectionist, I am all for Australian manufacturing industry. I don't think that the history of Australia could have been what it has been in the last 20 years without the great industrial enterprises, the great basic industries, the great factories of Australia. I am not saying something clever when I say that; I am saying something quite obvious.

When I look back, as I can, I regret to say, quite a number of years, politically, - what, 25 years - not long for me, a little longer for some of you young fellows - I can remember a state of affairs in Australia in which we stood so much on one foot - our pastoral and agricultural exports - that when we received a buffet on the chin because the world wouldn't lend us money, or because the prices of things fell, we fell into a state of disorder in which unemployment became 30%. Thirty per cent: It could never become 30% again unless we all became luratic.

Because in that interval of years something has happened; and the something that has happened has been that Australian secondary industry has developed, from the basic industry on, and that we have more and more and more come to stand on two feet. Today if somebody says to us "Common Market" we are not like some other countries that may have to say "Well this will kill us if this happens". We are in the position of a country that says "Well, we don't want that, we wouldn't like that, we don't want to be driven back on these industries" - and we certainly don't - "but, on the other hand, we are, of all the countries in the world in this century, of all the countries, the one that has developed most in manufacturing, in all the great basic industries and therefore we have two feet to stand on".

This is not a matter, Sir, for manufacturers to be complaining about; this is a matter for them to be proud about. This is not a matter on which manufacturers ought to feel that there are all sorts of people against them, because I have met nobody outside - where's Bob Heffron? - outside Callan Park (Laughter) - if I may refer to that highly argumentative place - who refuses for one second to believe that the future of Australia is today balanced on both feet and that as time goes on, and as we have more and more migration, we will become so good in the manufacturing field that we will export more and more manufactures. Then the day will come when, in this corner of the world, we will be, as it were, a sort of United States in the 20th century.

Now, Sir, this, I think, is a great charter for manufacturing. It doesn't mean that Australian manufacturers must be protected from every wind that blows; because a tree that is protected from every wind that blows will fall over the first time a hurricare attacks it. But it does mean that Australian manufacturing industry must be given its chance, its proper chance, to neet reasonable competition, to show the stuff that it has in it, and to grow, as trees grow, when the wind blows.

Now I hope, Sir, that this metaphorical expression won't be misunderstood. I do, occasionally, if I may say so to you, encounter a manufacturer who says, "Well, you know, old bey, are you a protectionist?" And I say "Yes, I certainly am. I'm a life-long protectionist if for no other reason than that my father would turn in his grave if I were not". But I am that because I believe in it; I see no future for Australia without it. And then he says "Well why do you allow imports to come in?" Now, really, gentlemen, does protection mean no imports? Because if protection means no imports before we are much older the rest of the world will tell us "No exports". And that will destroy our economy more rapidly than anything else could.

Don't let us get into the idea which, on the whole, is a rather silly idea, that Australians can't make things in factories in competition with the rest of the world, unless they are absolutely preserved from any form of competition. As an Australian I resent that. I think we can do any job at least as well in Australia as other people can do in their countries. Therefore I am a protectionist; I want every Australian industry to have its chance; I want to resolve all doubts in favour of Australian industry. But please don't ask me to accept the view that if somebody starts an Australian industry the rest of the world must be excluded atomatically. This is not very good, not very good. It all depends on whether you are proud of being an Australian, whether you believe in Australia and whether you believe, as I do, that given any kind of a break our people can do a job rather better than other people in the world. The truth is that over these years our factories, our great industries, have done a job rather better than the rest of the world.

You know it is worthwhile to recall occasionally the story of Australian iron and steel - to take the basic industry after one aspect of which I was long since given a nick-name. Here is our country which in the period covering the growth of the iron and steel industry has had a population ranging from six million people to ten million people. Yet our steel masters have sold steel into the United States of America and into Great Britain on competitive terms. This is something that gives me immense pride. I was talking only the other day to a manufacturer, in a not so big way, but a considerable way, who said to me, "You know we are rather proud of the fact that we sell our goods in the United Kingdom, and we sell them here or there". Why did we get this idea into our minds that the only function of high policy is to enable Australian manufacturers to fill the Australian market and no other market? When did we get this impression of inferiority? Because I don't believe this thing. I believe that before I am dead - and there are people who would be willing to contemplate that event with some pleasure - I believe that before I am dead Australian factories and workshops will be putting goods into other countries on competitive terms and of the highest quality, and that this country of ours will become, in the South-West Pacific, the equivalent, in due course, of the United States of the last 60 years. Why not? Why not? (Applause) But it won't happen to us if we bow our heads to the storm and say "No, no, the only thing that matters is that nobody should compete with us".

The real point I am making to you, Your Excellency and gentlemen, is: I am not so concerned with other people competing with us as I am with the determination that I hope you all have that we will compete with them; and that competing with them we will beat them into these markets. It would be a poor Australian who, in my position - which, as I know, I don't want anybody to tell me, I've occupied too long - said: "Well as long as we can hold a defensive position for the rest of my term I'm happy". I won't have a 'ar of a defensive position. I would die unhappy if I didn't think that Australia, industrially, economically, had gone on to the offensive and that everybody in Australia concerned with these things had got a vision in his mind of an enormous future for the most magnificent country, as I believe, in the world.

And it is for those reasons, Sir, that I want to accept the honour of proposing the Toast, tonight, of Australian industry. (Applause)