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AUSTRALIA CLUB DINNER

SPEECH BY THE RT. HON. R.G. MENZIES, PRIME MINISTER OF AUSTRALIA, AT THE SAVOY HOTEL, LONDON, - 12TH JUNE 1962

"Sir, Mr. Prime Minister, your Grace and Gentlemen, I never hear my name announced in London, and I want to tell you I have heard it many times now, without recalling that on one occasion the Master of Ceremonies having heard me referred to as Menzies and, being a decent Scot himself, came across to me just before, and said: 'Excuse me, sir' - in a Scots burr, which he used when making the announcement - 'excuse me, sir, am I to announce you as Menzies or by your proper name?'

"So in whatever capacity it may be, here I am. I am really in a state of considerable embarrassment because the chairman tonight is a former Governor-General of Australia of whom I live in fear and trembling - for years and who, whenever he made a good speech in Australia, which was usually, was able to say - 'Thank you very much, '-yes,' and when he said something that wasn't approved of, said: 'My constitutional advisers, of course.' Nowadays I am delighted. I have him cold. He just has to talk for himself now. And then I have, of course, by misfortune, here tonight the current Governor-General of Australia, Lord De L'Isle - here because his wife has been ill, and they have had to come back here for a time, and every member here tonight, every person, would wish us all to send to her through him our warm good wishes.

"And then, of course, I have here my old friend the Prime Minister of Great Britain who has spoken so generously tonight. Harold Macmillan and I have known each other for many years and, through many escapades, we have been and remain, great friends. And he and I have lived long enough to learn that the right way to maintain our friendship, one with the other, is to disbelieve everything that we read. This is the pinnacle of wisdom on which he sits for the moment. For a year, or two years, he seems to have an unrivalled command of the timetable - quite comfortably - and I sit precariously. If I may coin a phrase - 'here today and gone tomorrow'.

"But anyhow I have been over here on a matter of great moment. Not under any impression that problems were going to be solved, but because a great number of these problems are not to be solved so easily as the onlooker supposes. But here, to be able to go back home, as I shall in a couple of days time, with the certain knowledge that between us all, we have got to understand our problems much better; and this is tremendously important because really, at this time, putting on one side the enormous events of war, we are dealing between ourselves with problems which are the greatest problems that you have dealt with, Prime Minister, or that I have dealt with in time of peace in our lifetime. And it is therefore very important to begin by understanding that the man who is dogmatic in these matters runs a fair chance of being wrong because these are enormously complex matters.

"The Prime Minister of Great Britain has made a most eloquent speech tonight about the significance of Great Britain in Europe, as distinguished from Great Britain out of Europe, but exercising some balance of power in Europe. This is an eloquent speech and a powerful one. I don't know what the answer is to this. I well understand how strong the feelings are of people who feel that at this time in history Great Britain ought to take its place in the European comity of nations; how at this time with Europe so significant in a heavily divided world, Great Britain should put her weight, her wisdom, her experience, into the scales.

"I would have you understand that I think I understand that very clearly. But when we get to that point we enter a complete medley of considerations. He is more familiar than I am, or perhaps any of us are, with what we mean by 'going into Europe'. Are we talking about a federal Europe, a confederacy of European nations? Are we talking about something perhaps more practical, a little more elementary, the pragmatic approach to the association of great European Powers in a practising way from time to time through Prime Ministers and through Foreign Secretaries? Nobody can answer these questions. There are some people in the world who think of joint actions always in terms of mechanics and there are others who think of them in terms of functions, of friendship and of associations. And so I am not going away from here with any ideas in my mind that there is some strict form that will be observed, that there is some structure emerging in Europe, because I don't know what it is and I don't suppose that there is anyone else at present who knows what it is. All I know is that the decision to go into Europe - if I may use that compendious phrase - is a decision for the Government of this ancient monarchy to make and it is not for me or anybody else to say 'yes' or 'no'.

"This is one of the most remarkable decisions that will have to be made and it will be made by the Government and Parliament of the country which has more wisdom and more experience and more to lose than any other country in the world. And so I want to say, at the very outset, anybody who supposes that I have come here as a newcomer in some brash fashion to say, 'This is what you are to do', will be disappointed. I am not here to say what somebody else ought to do on this great matter. I happen to be here as the Prime Minister of a country which is British to the boot heels, which is a monarchist country; which with you, Prime Minister, is within the allegiance to the Crown - no ambiguities, no formulae needed about our position.

"We in Australia are of Her Majesty's subjects and whatever politicians - whether they are you or somebody else, or myself or somebody else - may do nothing will separate the people of Australia from the allegiance to the Crown. The one great danger at this time, and I see it from time to time, is that people, particularly some commentators, see everything in black and white. Now perhaps this is an occupational disease for when they write it, it appears in black and white, and there it is. But these are not problems of black and white, these are not matters on which you can afford to be dogmatic. They are in reality, to the pride and joy of ourselves as Commonwealth people, matters on which before the ultimate decision is taken we may sit down together and talk about as friends -

and if necessary disagree, on detail, as friends. But in the long run the judgment that will have to be taken will be one that is neither brilliant white nor dark black but maybe some form of iridescent grey.

"But this is the way of the world. We ought to remember these things. We see a certain colour in the sky. We think we identify it. It may be the dawn, it may be the twilight, but it largely depends on what direction we are facing, as to whether we think it is the dawn or the twilight. These are tremendous matters and I am the last person either to surrender the views of my own country to somebody else or to try to persuade some other person that his views are wrong because they don't happen to coincide with mine.

"This is one of the crucial periods in our history and it must not be confused by prejudice, by overplaying the hand, by stirring up hostilities. This is to be dealt with by remembering a few things. I don't want to say too much to you because I know from long experience that you become uneasy, and so do I - in a long speech - but these are to be dealt with by remembering a few things. One of them, for example, is that as between Great Britain and Australia the structure is clear. The interests, properly considered, are, I believe, in common. I can't suppose for one moment that Great Britain is any more unaware than I am, or than you are, of the tremendous significance in the world of the last 30 years - 40 years - of this family preferential system which has built up a great pattern of trade in the British world and therefore - and don't forget it - a great pattern of production in our respective countries.

"It doesn't occur to me to believe that the Government of the United Kingdom forgets that any more than I do. These are essential things. I have read a few exercises in newspapers and a few letters in newspapers which appear to suggest that Australia is being very selfish over all this matter; that we want everything and we give nothing. Now really! This seems to me to be a little bit hot - if I may use that homely expression, - a little bit hot. All my adult life my country has lived in a pattern of preferential trade, 'in honour preferring one another,' which is good biblical authority as well as anything else - 'in honour preferring one another'. And in the result we have built up a trade structure, an economic structure, which is very hard to equal in modern history.

"And to think that all this happens one way is quite childish. We give preferences to Great Britain; Great Britain gives preferences to us. You give preferences, sir, to New Zealand, whose distinguished High Commissioner is here. She gives preferences to you. It runs round the world, this Commonwealth preferential structure. And in result we in Australia have contributed to the well-being economically of this country in the most dramatic fashion, just as you, by your preferences to our goods in this country, have rendered our expansion, or a great deal of it possible. Well, here we are; we are on common ground aren't we? Yes, a plague upon these people who want me to believe this is all one way.

"I was questioned the other night by a gentleman on the television - well you notice I am using the terms of courtesy; I didn't have the figures with me, but it is one of the rare privileges of Prime Ministers that they leave all the knowledge to their subordinates and dwell themselves in a lofty zone of their own. But may I just say this to you, it is for the better part of 50 years now that we have had this pattern of British Empire trade, Commonwealth trade - whatever it may have been called. My old friend the Prime Minister of Great Britain, this most distinguished servant of his people; he and I have before today, on many occasions, stood on platforms together and spoken for this very pattern of trade, and he would do it tomorrow himself and so would I. This is a great story. But in 1960-61 - I admit that's the final financial year before I almost lost the Election and I don't say that one is related to the other - not at all; who am I to say this? But in the financial year 1960-61, I obtained the figures. We imported - we, Australia - from Britain, goods to the tune f.o.b. of £272M. And in order to improve the strength of sterling, I am quoting my figures in sterling - £272M. sterling. And Great Britain imported from us, and I am not complaining about this, £166M. sterling. In other words - I am talking now to those who don't have the supreme privilege of being Australians - you had a favourable trade balance with us of £106M.

"Don't think for one moment that this to me is an object of complaint; it isn't. I have great pride in the fact that under this preferred system my country has been, over a period of years, with a few exceptions now and then, with its handful of people, the greatest customer that Great Britain has had. In fact I don't want to create any Trans-Atlantic difficulties because I am going there on Thursday. I must gird my loins for the arguments that I'll encounter in Washington. But, really, it is worth while some of these gentlemen who write their comments for your improvement, to remind them or to tell them, that they didn't know that my country, over this period, has had a population ranging from 4 million,  $4\frac{1}{2}$  to  $10\frac{1}{2}$  million and that over this period of 40 years, Australia - little Australia - which is supposed to be selfish at this time, has bought from Great Britain, very properly, and has in the buying produced employment in this country, very properly, £850M. more than the United States has over the corresponding period of time.

"Now Sir, I think I may say these things. These things are very familiar to my friend and to the British Government and they wouldn't quarrel with them. You mustn't think for one moment, as between the United Kingdom Government and the Australian Government, that there is some deep-rooted disagreement about the fact. There isn't. These things are all well understood; and warmly understood; and heartily approved. The one thing that did occur just after I arrived here was that when my distinguished friend from New Zealand, Mr. Marshall, and I - being presented with what turned out to be a purely tentative arrangement on hard manufactures, - said, I thought very modestly, if you can associate modesty with me: 'We hope this is not your reply to foodstuffs.' And you know, we were quite right. You can apply to something, no doubt, a phasing out by 1970, but you do that to the foodstuffs that are exported from the Commonwealth countries, so that at the end of 1970

it's all gone, and the noises that will come from the Commonwealth countries will be such as to exhaust even the vocabulary of the 'Daily Express'.

"Because, you see, you cannot say to countries which have lived within the covenant for so long, and that have conducted this mutually advantageous economy for so long; you can't say to them 'Well, look, we wouldn't kill you straight out, but in 1970 it is all over'. And I don't believe for one moment that the Government of the United Kingdom is going to subscribe to such an idea. Not for one moment. We have in fact as Australians - difficult as we are supposed to be - worked through our offices, constructively, with the great assistance of the representatives of the United Kingdom, with Mr. Heath opening door after door for them, with meetings of members of Council; we have been presenting constructive ideas. We have not, as the Prime Minister knows we have not, said, 'Well, let's stick to the old form'. We have realised that that might be very difficult for the Six to accept, and we have therefore worked out alternatives, whether there could not be comparable outlets, whether perhaps the preferred entry of goods into this country might be distributed over the countries of the Common Market. This is, to a point representing our normal traffic, with a little edge for growth and I hope no business man is going to object to that because you are all devoted to the principle of growth - you wouldn't run your business unless you thought you had a little margin for growth. Our business is the business of Australia - the business of a country whose population is increasing as rapidly as that of Japan, a country which, if it is to play its part in the world as a member of the Commonwealth, must go on, grow, expand, have more people, more production, more trade, more power. Of course this is right. We are not a static community, put away in a remote corner of the world. We are not prepared to be a static community and neither does anybody in this country want us to be a static community. And therefore we have, with the full approval of our colleagues in Great Britain, been working on ways and means of developing alternative methods of preserving a proper volume of trade for Great Britain, in Great Britain, in the Six for Australia, for New Zealand, for Canada, for whatever it may be. Now this is not a point of difference. We have in company with our colleagues in Great Britain been working on these things. All I want to say to you is that if the Six took up the attitude that they are not looking at any alternatives, that the existing preferences - preferences behind which thousands of people in communities in Australia live and without which they would die - if they took up the attitude 'Nothing doing, the preferences must disappear in 1970', then I am perfectly certain that my country would not say 'Yes'. And, though I speak with no authority, I am perfectly convinced that the Government, the Parliament and the people of this country would not say 'Yes'.

"One matter arose when Mr. Marshall and I made our rather anodyne statement and woke to find ourselves famous. And that was that we were afraid that these interim arrangements were in a sense final; they were announced in certain organs of

the press as agreements. Now I am happy to say that one of the things, as my colleague will agree, that has emerged from our discussions is that it is perfectly clear, that although you must make tentative arrangements if you are ever to bring negotiations to an end, they are all tentative. They do not bind us. They do not bind anybody. They are tentative arrangements and when finally the ground has been covered, there will be a 'package' of such arrangements and that, I believe I am right in saying, is what the Prime Ministers will be in a position to discuss without prejudice, without commitment, when they meet here in September. Now I don't complain about that. I know how negotiations must go on and I am happy to say that this understanding that we have is now completely common ground.

"Now perhaps there is just one other thing that I ought to say to you. I want to make another point to you, and I make this in no sense of hostility, to either the European countries or to the United States of America, our great friends - our generous friends. But I do want to put this to you. Those in Europe, or those in America, who press too hard what I believe to be the doctrinaire view that preferences must disappear without substitute in 1970, accept a great responsibility before history. The European Powers have not engaged or begun the lengthy negotiations with Great Britain because they don't want Great Britain in Europe. If they didn't want Great Britain in Europe it would have been a simple thing to say 'No'. Wouldn't it? But the negotiations go on. One must assume that, not necessarily unanimously but in a number of fields in Europe, there is a feeling that the association of Great Britain with Europe - this revolutionary change - in the eye of history is a good thing, a good thing for the world, a good thing for peace, a good thing for resistance to tyranny. And the United States of America which is not a party, but which has offered positive views on these matters, must be taken to believe that it would be a good thing for the free world for a Europe to have Great Britain in it.

"I don't need to elaborate these things. I just assume them; in my naiveté. I assume them. They will accept a very great responsibility if between them, jointly or severally, they assume an attitude that the old preferential relations between the countries of the British Commonwealth are to be destroyed by 1970 as part of the price of union. This will be a great responsibility because they will in effect, if they are right, if they succeed, if all this happens, be presenting the Government of this country with a dilemma the like of which was never seen before in peaceful history, the dilemma of choosing between Europe on those terms and the Commonwealth.

"I don't believe for one moment that you are going to choose against the Commonwealth. I don't believe for one moment that anybody in this country is bound to accept every jot and every tittle of the things that we put up though we think they are pretty good. But I do believe that if - and it is a big if - it turns out that the attitude in Europe is that Great Britain must determine the whole of her preferential arrangements with her Commonwealth in 1970 as the price of going

into Europe, then they are offering this country a choice which is - well, I fail to find words to describe it, a terrible choice, an historic choice, a disastrous choice. Because, you know, 'better the devil you know than the devil you don't know'. We have lived long together. When I look back over it and, I am an old hand in Commonwealth business and so is my friend Harold Macmillan, the reason why we always meet as friends is that we know the story behind it all. It is the story of a Commonwealth in which he and I both happen to be servants of our Sovereign Lady the Queen, in which Great Britain and Australia, to say nothing of all the other Commonwealth countries, have lived together - a Commonwealth whose roots have been nurtured in the soil of co-operation and affection, and loyalty. These are wonderful things. Not to be lightly disregarded, not lightly to be put aside. It is because my approach to this matter is exactly the same as yours, Harold, that I know that we must not cry 'disaster' too quickly, that we must not be dogmatic too soon, that we must understand, that believing the same things, loving the same things, remembering the same things, we are going to do the best to help each other and at the same time help the continent of Europe, help the whole free world. I can see all these things. I can understand them perfectly. How wonderful a thing it would be for the free world to have a concerted Europe, to have a group of Powers who were not ambiguous, who knew where they stood. And so when he says this is of great value I don't resist that, I don't resist that. I merely say to myself, 'Yes, but don't forget', and I don't need to say it to him, though there are some people to whom it needs to be said, 'Don't forget that we haven't come to our present state in the world, we haven't come to our present power and significance in the world without having these things connecting us, wonderful things bringing us together, a great record of achievement and, I believe, properly considered, a marvellous vision of hope and gain and strength for the future!'"

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