

OPENING OF ADMINISTRATIVE OFFICES AND
PRODUCTION BUILDINGS OF MERCK SHARP &
DOHME (AUSTRALIA) PTY. LTD. AT SOUTH
GRANVILLE, N.S.W. ON 26/10/1962.

Speech by the Prime Minister, the Rt. Hon. R.G. Menzies

Sir, Mr. Deputy Mayor, Mr. Uren, Mr. Connor and Ladies and Gentlemen :

I think I ought to begin by coming clean with you about something. We've a lot of problems on our plate at this moment at Canberra and having, to put it in the vulgar fashion, managed to get rid of Parliament last night, I was horrified to find that I had either talked myself into coming here or been talked into it. So I flew down this morning and I am due back home at six o'clock. I don't remember how it came about because, you know, this business of politicians, particularly reactionary conservative politicians like me (Laughter) opening works is a very dubious one. I frequently, when I am opening some factory somewhere - it may not entirely apply here today - but I frequently find my opponent, the sitting Member, standing by, and the more enthusiastically I commend this wonderful piece of development, the more enthusiastically he counts the additional votes he will get at the next election. (Laughter) Still, you can't have it both ways.

I am very grateful to the Deputy Mayor for having so pleasantly welcomed me here this afternoon. All I can say is that I used to have a very high regard for Parramatta - I still have momentarily - because Parramatta has long since had the admirable habit of electing to the Federal Parliament a supporter of mine, but now the busy-bodies have got to work and there has been a redistribution. It isn't through yet, and I understand there are yet problems to overcome, but I am told by the wise men that as a result of the redistribution, Parramatta will become a hostile camp. I leave it to you, Mr. Deputy Mayor, to see that that doesn't happen. (Laughter)

I would just like to say this about the Company and about the new development here: when I looked through the record, I thought that here we had a most astonishing story of growth in ten years. I repeat, of course, ten years, because that proves conclusively that the success of this Company and its amazing growth has occurred in spite of the fact that I have been Prime Minister over the same period. (Laughter) But it is a remarkable story of growth and it demonstrates two things, both of which perhaps we need to understand in Australia even better than we have.

The first is that the great ingredient in growth, to which must be added skill and all sorts of other things, is confidence in the country in which you are establishing yourself. This is a pretty strange, confused world, getting stranger and more confused almost every minute, and there are not all that many countries in the world in whom some long-established enterprise can feel confidence so that it may invest its money and its talent and its experience in that country. It has really been a very great assurance to all Australians, a very great source of pride to all Australians that in this period since the war, Australia has attracted the confident investment and skill of so many people on the other side of the world. People lose confidence, of course, very

easily - or some people do. I am happy to say that this Company is a splendid example of a body which has at no stage lost confidence but has gone right forward. Now that to me is a splendid thing - confidence in Australia. But it also exhibits, of course, confidence in the future. It takes the long view.

I remember a few years ago, delivering one night what people were pleased to call a Little Budget, in which we clamped down on the motor car industry - this is about five years ago - through some added taxation. When I arrived in my office the next morning, having made this powerful but, of course, I don't need to tell you, most unpopular speech - that's no novelty for me - my staff said to me, "You know we don't know whether you ought to be given the Victoria Cross or sent to a hospital for the insane," and I said, "Why, what's wrong?" They said, "Do you know that you're lunching today, you're giving a luncheon party to the representatives of one of the greatest motor car organizations in the world?" So I screwed my courage to the sticking point and went down and acted the host and tried to make up by amiability for the terrible things that I had done the night before. But the head man from overseas smiled at me and said, "You know, I heard you last night." I said, "Yes, well, I'll take it. What is it?" He said, "I entirely agreed with you. I don't see what else you could have done. Of course, it will cost my organization something, but you don't want to get it into your head that we've become a big organization by just looking forward a year at a time; we look forward twentyfive years at a time. This won't be the only knock we'll have - a little knock in the course of twentyfive years - but our planning is based on the fact that we will develop and grow steadily in the long run over that period of time." That's elementary enough, but it isn't everybody who thinks like that.

I am perfectly certain that those who are responsible for this Company do think like that. What they have done already in the last ten years is conclusive evidence of their long-range thinking.

The other thing that I wanted to say to you is that I gathered, I hope rightly, that among the plans of this Company are plans to produce at least one commodity for which they design to have a substantial export sale. Now that, when it comes off, will be a very good thing. I constantly find myself saying to manufacturers of all kinds that we must get further and further away from the idea that the only things we can export are the products of the soil. They will be the main things that we export for a long, long, time. They are of tremendous importance. But we must more and more translate the undoubted skill of the Australian, his undoubted capacity to do his work, just as well as anybody else in the world, into getting for our manufactured commodities increasing markets, particularly in the rising, newer countries - politically newer countries - of the East, and North from us. It is nothing much to the point for anybody to say, "Oh, well, you know that's difficult." Of course it's difficult. My experience has been that almost everything is difficult, but that if you try hard enough, it may ultimately become easy.

We must have, more and more from Australia, export markets which arise from what I will call broadly the manufacturing processes. And for a very good reason, or two good reasons.

One is that we have, periodically, problems in our balance of payments. The price of wool slumps and then our overseas reserves begin to run down. If the price of wheat slumps or we have a drought or something of that kind, down goes our export income. Our import bill doesn't move around in this fashion. It's pretty steady and has a disposition to grow, but our export income can fluctuate with seasons and world prices to an almost alarming extent. Therefore, whatever Government is in office in Australia will find itself occasionally - maybe every few years - forced to take some particular measures to protect our overseas funds and assure our international solvency. I want to get away from that. I don't like these emergency measures. And the way to get away from it is to put our exports on an increasingly stable basis and the exports of manufactures from Australia will contribute to that more than perhaps anything else could.

So, Sir, when I heard that you had your eye on the export field, I thought, "This is a splendid thing". Now I have given you the general reason for it. I will conclude by saying that we now have, of course, a particular reason for wanting to increase our exports, because we are confronted almost imminently by the problem of the Common Market, and however the negotiations work out, it will be certainly true that we will have to put increasing pressure on a drive for new markets - not just new markets for old things but new markets for new things and that is why the variety of things to be exported, extending into the chemical field, extending into a hundred and one different varieties of activity, will be of such tremendous importance to us.

We are not just to content ourselves by saying, "Well, there are certain traditional exports, and they will do." We must develop untraditional exports, new things, produce new things in Australia, not be afraid to produce them; because if the gentlemen who have spoken to you this afternoon feel confidence in this country, what should you and I, born in this land, feel about our own country? I have an unlimited confidence in it and I hope that people will not allow their proper confidence to be withered too promptly by an occasional cold wind.

Sir, I have the greatest pleasure in declaring the offices and plant open.
