

GREY BY-ELECTION MEETING HELD AT PORT
PIRIE, SOUTH AUSTRALIA
ON 6TH MAY, 1963

Speech by the Prime Minister, the Rt. Hon. Sir Robert Menzies

Sir, Mr. Premier, Parliamentary Colleagues and Ladies and Gentlemen :

I want to say how indebted I am to the Premier (Interjector - "Speak up") Can't you hear me? (Laughter) I am very indebted to the Premier, who was this afternoon as far away from here as Mount Gambier, for having come up here tonight - they tell me that he knew the road so well that he drove himself. (Laughter) (Applause)

But before I begin to engage in a by-election speech, in a political statement, I would like to say here in Port Pirie how much I regret the occasion of this by-election. After all, you had for very many years the late Mr. Russell as your Member, and in my experience of him, he spared no effort in his desire to serve you in Parliament. (Hear, hear. Applause) We all liked him very much. I was delighted as I came in here tonight to have the opportunity of shaking hands with his daughter, who gave him devoted assistance for a long, long time in the work that he was doing for you. (Applause)

But the fact that he has gone and that we are having a by-election will serve to disclose, I think, a very interesting fact, and that was that Edgar Russell probably secured many votes from people who would not normally be Labour supporters. I am not criticising that; I think it admirable - but I think it was due to his own personality and his contacts with people in the electorate, so that the Party lines, as we would normally call them, tended to be blurred. That is entirely an honourable thing to be recorded about any man. But it means that at this by-election we will tend, I suppose, to come back to what I will call Party lines, so that people who are Liberals will support the Liberal candidate and people who are Labour will support the Labour candidate except those who support the Independent Labour candidate, and so on. And I am here, not only as Prime Minister, but as Leader of the Liberal Party to do what I can to bring about the result of having Mr. V. Dyason in the Federal Parliament. (Applause) And for that reason, of course, I am delighted to see so big a meeting and delighted to find that apart from one chap who is so eager to get to question time that he can hardly wait (Laughter), there appears to be a very sound body of opinion represented here tonight in favour of the candidate I am supporting.

Now, Sir, we have had up in Canberra, a couple of "No Confidence" motions and when an Opposition moves a "No Confidence" motion it, as a rule, selects the topic as the topic on which it would like to go to an election if it won in the vote. After all, let us admit it at once, my Government has, with a Speaker in the Chair, a majority of one in division. A majority of one. (To interjector - And if the one were you, my friend, I would resign at once) (Applause) After all, if an Opposition moves a "No Confidence" motion, and the Government has a majority of one, then all the Opposition has to do is to detach one voter from the Government side if possible and the Government is out and we are out to the country at an election. And, therefore, it is proper, I think, to regard the first of

their "No Confidence" motions, which was fairly general, as representing the issues on which they want to go to the country and, therefore, I think I am entitled to treat them as the issues on which they would desire the Grey by-election to be fought, and I want to say something about the two issues which they raise.

One of them is internal and the other is external. It makes a fair balance, if I say something to you, I hope not tediously, about each of them. In the first place, they said that our economic management of the affairs of Australia had resulted in chaos, in next-door to disaster, in the halting of the economic processes, in a stagnant economy; in fact, I could hardly remember all the words that they used to describe the shocking state that Australia is in. And yet, I must say as one who goes around Australia a fair bit, I don't feel that I am going through a country that is suffering from disaster. Do you? Some of these people who talk about Australia being in a depressed condition, near disaster, ought to have a look at some other countries in the world. I venture to say to you, and I say this after now being continuously in office for over thirteen years, that this country has the highest standard of living of any country in the world. (Applause) (To interjectors - Save it up, boys; save it up, and practise the questions for after the meeting. Sit down) I will be able to answer questions when the meeting is over.

Now, Sir, let me just support that broad statement. We have had, in this period of time, the most tremendous development in Australia. If you look around the nation - and the nation matters - and see the enormous works of development that have gone on all over Australia in the last ten years, then you will at once admit that there has been a tremendous period of development. Now, a great period of development in the country (Now this silly chap is talking on his fingers to me (Laughter) You would almost think I was deaf. Save it up, mate. Save it up. Go out and buy a bottle of soda water) (Laughter) Now, I was saying, ladies and gentlemen - and everybody here knows it is true - we have had the most phenomenal development going on in this country, and that development has been made possible for a variety of reasons, one of which is the fact that we have had a tremendous programme of migration into Australia during that time, and it is quite clear to anybody who looks into the matter that unless we had had this enormous population increase, we could never have had this degree of development that we have had in the last ten years. (Interjector - "Who brought them in, Bob?") The Labour Party. I agree. (Laughter) You know, I am very glad you made that interjection because this great migration programme was begun by the Labour Government in which Mr. Calwell was the Minister for Immigration, and I have always made it quite clear that I regard this as a very statesmanlike action (Interjector - "You was a Labour man.") I've never been a Labour man. Oh, ho, ho. (Laughter) (Applause) Oh, really, if you repeat that you will hurt my feelings. (Laughter) I have my own pride, you must remember that. Oh, sit down. You know, I have a sneaking idea they came here to hear me, not you. (Applause)

You will, of course, ladies and gentlemen, not fail to realise that whenever somebody like myself is on a platform and scoring something, some alleged Labour supporter will get up and squeal like a stuck pig. It is always the way. I repeat: One of the statesmanlike things done by the

last Labour Government was to implement the migration programme, and the migration programme will always be associated, to his credit, with Arthur Calwell. I have given him credit, time after time. The amazing thing to me is that although if I were a Labour man, I would be claiming credit heavens high for the migration programme, half the Labour interjectors I encounter around Australia are not only ashamed of the immigration programme, but appear to be against it. That is an astonishing thing to me, because without it, we wouldn't have had the rate of development that we have had.

Now, there is another factor in this matter. Australia, with 10 million, 10½ million people can't (Interjector - 11) Well, it will soon be 11. You do something about it. (Laughter) (Applause) Now, ladies and gentlemen, with 10 million, 10½, 11 million people in Australia, we cannot out of our own savings - though we do save money very well - we cannot out of our own savings, produce all the capital moneys that are needed to develop this country at the rate at which we must develop it, if we are to hold it. Therefore, we have found, over these last ten years, a tremendous coming-in of capital from outside Australia - not just coming in on Government borrowings; there has been a little of that - but coming in primarily by the establishment or building up of new industries in Australia. Hundreds of millions each year come into Australia on private capital investment account and this has been a phenomenally good thing for us. Wherever I go in Australia, I can see factories, enterprises of various kinds, which are there because overseas investors had enough confidence in this country, in the stability of its government, in the liveliness of its future, to invest their money in it, and you will see that wherever you go.

Have you ever heard any Labour leader in the Federal Parliament say a kind word about investment from overseas, because I never have. I would be fascinated to know whether anybody in the audience ever heard a good word spoken by Labour about overseas investment in Australia. On the contrary, one of their great slogans is that Australia is putting itself in pawn to the rich overseas interests. Now, ladies and gentlemen, that is one of the other factors in the growth.

But another factor is related to our internal attitude in Australia, the spirit of confidence, the desire to get on with the job and that reflects itself in the fact that in the primary industries - vital to our future - the cost level of which is vital to our future - we have seen, in my own time of office, most remarkable increases in production. I'm not talking in terms of money, but talking in terms of actual physical production of the matters concerned. I had a look at the figures - I won't weary you with many of them. Beef and veal : 37 per cent. up; sugar 96 per cent. up; wool 61 per cent. up; wheat 30 per cent. up; mutton and lamb 83 per cent. up. These are very remarkable figures because they show that in spite of all the difficulties of varying prices, the problems that primary industries have had in overseas markets, all the kinds of problems that we have had leading up to the discussions on the Common Market, the man on the land in Australia has kept on improving his efficiency and increasing his production and the result is that the nation is wealthier to that extent.

Now, Sir, apart from that, let me say this. When we came into office -- when was it? -- at the end of 1949, Australia was importing coal. We had the finest coal measures in the Southern Hemisphere but we were importing coal, and we were importing coal because the coal-mining industry had been allowed to fall into a state of chaos. (Interjector - "Rubbish") These are the facts. Well you must tell me sometime how it is that we had to import coal. If we had all the coal in the ground, we were still importing it and importing it from India, from South Africa, paying through the nose for the freights on it because charter rates were extraordinarily high.

Today, the production of coal in Australia has gone up 64 per cent, and so far from having to import coal, we are now developing a growing and substantial export market for coal. Indeed, one of the things done by my Government on the east coast has been, in relation to Gladstone and Newcastle, to provide extra coal-loading facilities so that these export markets could be developed. Now, that is a pretty good thing isn't it? Something that any Government might be proud of, any group of governments might be proud of, to know that in these important commodities, productivity in Australia in actual terms has been going up. And indeed, Sir, we are now, as a result of a series of wise incentive policies on our part, developing with the co-operation of intelligent manufacturers, exports of manufactured goods. There was a time (Interjector - "How many shares have you got?") Look, don't cry yourself to sleep wanting to know how many shares I've got in something. I've got a terrific set of shares in Australia Unlimited. (Hear, hear. Applause)

Now, Sir, I was saying about manufacturing, that we decided that we oughtn't to have all our eggs in one basket, that we ought not to depend as much as we have in the past on the exports of primary products. We need to develop our exports in that field. We need, and we are working for it at this very moment, both here and abroad, to get a more stabilised price level for the things that are produced on the land, a safer market, a more stable market. But if we are going to be a large country, industrialized as well as on the land, then we must develop export manufactures. (Inaudible interjections) All right. Some chap who is obviously an old friend of mine, he says Did he say that the Labour Party did this thirty years ago? I wonder..... (Interjector - "Remember what you said thirty years ago") Of course I can't. I've even forgotten what stupid remarks you were making thirty years ago. (Laughter, Applause)

When Labour went out of office, the exports of manufactured goods from Australia were £29M and this year, they are £134M. Now that is a tremendous growth - from £29M to £134M and I am hoping very much that as a result of the taxation incentives and other arrangements that have been made, we will find that our manufacturing industries will increasingly be able to produce, at a cost level which will enable them to compete in overseas markets - and Lord knows, there are plenty of them around Australia - on competitive terms, and when that happens we will find that we have a balanced economic growth. But all these things, if they are to be done, require something that is not always popular. They require a stable value of money. You can't expect the man on the land to go on saying, "Oh, yes. I'll keep on producing, I'll increase my production of this or that" if in fact inflation is going on inside Australia so fast that all his costs have built up against him while his

price from overseas remains uninfluenced by inflation. And therefore, for the man on the land, stable currency is of the essence.

And for the manufacturer, people say, "Oh, well, he doesn't care because he can pass it on to the customer." A manufacturer can't pass it on to the overseas customer. Therefore, he has a tremendous interest in keeping his costs stable and, indeed, cutting them down by increased efficiency of plant and of management and so on. And the man who is employed, whether it is on the land or in the city, in the factory, he has a lively interest in avoiding inflation because I may tell you, to take a simple example, he is a very substantial holder of savings in the savings banks.

Do you know, ladies and gentlemen, it is a thing worth remembering, that in the savings banks in Australia, there are 10 million accounts and that the average in each of these accounts is £185. That shows how poverty-stricken we are in Australia. Ten million accounts in savings banks - average £185. And the employee who has money in the savings bank, he doesn't want to see the value of it run away by inflation. The man - and there are millions of them in Australia - who insures his life against his old age for large or small sums doesn't want to see the value of his insurance run away. Let me remind you that there is no man who has got a livelier interest in stabilised price levels than the man who works for wages. And what has occurred?

The fact is that as a result of policies which sometimes have been unpopular - I remember them very well - we have had stability in the cost and price level in Australia for just about three years. This, of course, is the most tremendous encouragement to people from other countries who are looking around with surplus capital to invest and who are looking for a country in which there is stability, in which there is security, in which there won't be ratbag governments or irresponsible governments. They have had plenty of experience in South America of countries that turned out to be completely unreliable. Increasingly, they are coming here and so far from resenting it, I take great pride in it and I hope and believe that Australians all do.

Having spoken about that, I want to turn to the other branch of the famous censure motion. (Interjector - "I want to ask you a question") Oh, well, you are in a bit of a hurry, lad, because when the meeting is over, when I am finished, you can get up and ask it but I might tell you in advance that I will listen to the question and you'll jolly well listen to the answer. (Applause)

Now, ladies and gentlemen, I perhaps occupied a little too much time on that, because I want to turn to the external problems on which the Labour Party took us to task. What was their policy when they dealt with external affairs? It seemed to me that they had two or three points and these ought to be understood because if they win the next election, these two or three points of theirs will represent the policy of Australia, so let's all be careful as to what we are doing about it. Don't think you can have the best of all worlds at all times. If the present Government's policy is bringing us in the world, increasingly, friendship and security, then you must hesitate before you throw it away in order to experiment with people whose policy I am just now about to describe.

First of all they said, "Internationally, well, Australia has some troops in Malaya." Quite true, we have some troops in Malaya as part of the strategic reserve under the South East Asia Treaty. The South East Asia Treaty which we signed, which we advocated, contains in its membership Pakistan, Thailand, the Philippines, Australia and New Zealand, France and the United States of America and the United Kingdom. This is the group included in the South East Asia Treaty, commonly called SEATO. And we have, with Great Britain, and New Zealand, contributed to a relatively small reserve force in Malaya. When it went there, our friends, the Malaysians, under their distinguished Prime Minister, the Tunku Abdul Rahman, were being harassed by a lot of Communist bandits in their northern counties. These people were being fed and assisted from across the border and it took a long time to defeat them and control them, and our troops took a part in this business. I had always thought, with the warm approval of the general public of Australia.

But the Labour policy, as expressed the other day by a prominent front-bench Member - and you know front-bench Members of the Opposition at Canberra don't speak outside the instructions of the 36 men outside, so this is authoritative you may be perfectly certain - he said, "Well, withdraw the troops from Malaya. What has Malaya to do with us?" This is what this spokesman for Labour said - "What has Malaya to do with us?" And now the proposal has been advanced, and is considerably advanced, to establish Malaysia..... (To interjector - I know, you are interested in everything except this. You said that earlier. But Australians are interested in this) (Applause)

The Prime Minister of Malaya sponsored a proposal under which the Federation of Malaya and Singapore, where the great naval base is, and the three Borneo provinces, Sarawak, Brunei and North Borneo should, with the agreement of their own people, come together in a Federation of Malaysia, and we, as the Government, warmly approve of this, as does the Government of the United Kingdom, as does the Government of the United States, because this would establish a hard circle of countries highly friendly to us and we need countries that are highly friendly to us, quite frankly, because all the pressure in our direction here is from Communist China, down through Laos, down through North Vietnam and with constant threats on the Thailand border. We would need to be blind if we didn't realise that the threat to our future comes from that direction and from that source and so we say we are all for Malaysia.

The Labour Party, after its recent Conference of the 36, who gave their orders, said, "Well, yes, we have nothing to say about in Malaysia in particular except that we are glad that they will no longer be colonies." Not a positive word about Malaysia. The Melbourne "Age", one of the greatest newspapers in the Southern Hemisphere, wrote a leading article on it of the most pungent description. It was a poor, equivocal, shuffling attitude towards a great problem.

Then, there is the next one. What is their policy about nuclear affairs? Well, I hope you won't mind if I take just five or ten minutes to deal with this because it is of the first importance. They are beginning to talk as if they were the only people that were against nuclear war. You know, ban-the-bomb and all this business. They act as if they were the only people against it. Presumably, we are a lot of blood-thirsty fellows in Government who want to get on with a nuclear war. And they have the unparalleled impertinence in

the course of debate of quoting what the Commonwealth Prime Ministers agreed on a couple of years ago in London, forgetting that I was one of them, and indeed not knowing perhaps that the paragraph they most rely on was actually written by me and accepted unanimously by all the Prime Ministers present. Now we said two things on this disarmament problem. We said we were all for disarmament, we were all for getting armaments down, step by step. We believed and, of course, we still believe that the eliminating of nuclear and conventional armaments (non-nuclear armaments) must be so phased that at no stage will any country or group of countries obtain a significant military advantage. So I want you to follow what that means.

At the present time, if you talk about orthodox weapons, conventional weapons, great armies, air forces not devoted to the use of nuclear weapons and so on, the Soviet Union would outnumber the entire world put together. If you could abolish all the nuclear weapons in the world at this moment and stick them in the uttermost parts of the sea, there would be nothing to prevent the Soviet Union from taking charge of Europe any fortnight it occurred to them, because she has overwhelming power in non-nuclear forces. It is the fact that the United States primarily and Great Britain to a certain extent have nuclear weapons which serves as a deterrent to them that prevents them from continuing their aggression in Western Europe, an aggression which has been halted now for about eight or nine years. Now this is tremendously important. What we said as Prime Ministers was, "Well, look, it would be silly to wipe out or to reduce nuclear arms if you left the others untouched. Therefore they must all be dealt with. They must all be cut down together, so that no country or group of countries is put at the mercy of another country or group of countries. We all agreed on this. The Prime Ministers, with an immeasurable variety of ideas on most things, were unanimous.

And in the second place, we came to this paragraph that I referred to, as I have a particular interest in it, and we said this. I am telling you this because I am tired of all this nonsense about the Labour Party being the only people who are interested in this matter. We said this: "Every effort should be made to secure rapid agreement to the permanent banning of nuclear weapon tests by all nations and to arrangements for verifying the observance of the agreement. Such an agreement is urgent, otherwise further countries may soon become nuclear powers, which would increase the danger of war and further complicate the problem of disarmament."

Not much to quarrel with there, I venture to say. That is what we wanted. That is what we want. But ever since that time, every conference at Geneva designed to bring about a cessation of nuclear tests has dealt with positive proposals by Great Britain and the United States to cease them and complete obstruction by the Soviet Union. The Soviet Union gets out of it by saying, "Well, it's all right for you, but we are not going to have anybody inside our territories inspecting what we do and finding out whether we are making nuclear tests." The Communist power, the great Communist nuclear power, the Soviet Union is today solely responsible for the fact that nuclear tests are allowed to go on.

Therefore, ladies and gentlemen, I venture to say that the Labour Party starts on this problem a little bit

off-balance, but having claimed in this rather arrogant fashion that they are the great sponsors of getting rid of nuclear war, then, egged on - let's speak quite frankly - egged on by the Communist Party which began this scheme, they have now said, "We are for making the world South of the Equator a nuclear-free area, not allowing any nuclear weapon to come into it or be discharged from it or be stock-piled in it or to be made in it." This is the policy that you will be voting for in the next election in Australia if you vote for Labour.

Now, I just want to remind you, ladies and gentlemen, what that means. We are not a nuclear power. We have stood clear of this kind of thing. We are not ambitious to be building nuclear weapons. We think the fewer hands that they are in the more chance of avoiding disaster in the world. But, under the South East Asia Treaty and more particularly under the ANZUS Pact, which my Government sponsored - Australia, New Zealand, the United States - under that pact, America is our ally, and America is a nuclear power and if a great war arose, you don't suppose that we would be left out of it. Would we be just the unwilling prize of victory to whoever won? It is worth thinking about. But if a great world war broke out - which Heaven forbid - would the United States ... (Interjector - "You'd resign tomorrow) You couldn't be more wrong. I resigned in August, 1941. It is about as accurate as most of the things you have been saying.

However, ladies and gentlemen, I want to pursue this serious topic. Suppose there were a great war, and suppose China by this time has developed nuclear weapons as undoubtedly she will before long, and the United States of America is our ally, and the United States decides to use nuclear weapons herself in answer to a nuclear attack. Now this is something that is no use shutting our eyes to and pretending there is no such danger. We have to open our minds and our eyes and look at it quite plainly. Would we say - would you like the Australian Government rather to say to the United States, "You are not to have in the Southern Hemisphere, south of the equator, any submarines with nuclear weapons on them, you are not to fly around south of the equator any aircraft with nuclear weapons on them because that's against our beliefs. Suppose the United States said, "We don't care what you say, we are going to do it." This is a great contribution to our alliance isn't it?

But suppose, on the other hand, they said, "Well, we'll do what you want us to do. We will leave Australia out of all this business. We will put our fellows in and take the rap." How would they get into the Indian Ocean, which strategically is essential to an attack on the Soviet Union or on Communist China? Do you know how they would have to get into the Indian Ocean? Through the Suez Canal. You realise how long that would be open, or through the Straits of Malacca, next door to Indonesia. (Continuous interjections) It's all right, ladies and gentlemen, I sympathise with you, but it is a well-known statistical fact that in a population of say, 800, you are bound to have a couple of nuts. (Laughter, applause)

The third item of Labour policy which I want to mention to you quite briefly concerns itself with the proposed installation of a radio signalling station by the United States in the North-West of Australia, North-West Cape

(To constant interjector - You don't think you've done me any harm, do you? On the contrary, you've been worth 100 votes tonight to Vern Dyason) (Applause)

I come to the final aspect of this matter, the radio communications station in the North-West of Western Australia. Here is something which, as everybody now knows, I hope - and it's been made clear from the beginning - is a radio signalling station, under which the United States authorities can convey messages to their naval vessels within the range of the station, that is to say, in the Indian Ocean and the South West Pacific. Very important that they should have this as in other parts of the world. This is rather a blank spot. And they asked us whether we would agree - our allies - and of course we said we would. It wasn't without interest that it is going to be very expensive and they are going to pay for it. It is a pure means of conveying messages to their naval vessels and has nothing to do with controlling their fire or these fanciful things that people have been talking about. This is a perfectly commonplace, straightforward idea.

What did the Labour Party do about it? (Interjector - "What about the 36?") Thank you very much. Yes, I wanted that question. Yes, I'll tell you. The 36 outside bosses of the Labour Party --- because the Labour Party doesn't believe in control by Parliament but by control by 36 outside bosses who lay down the law --- the 36 outside men or women, they decided ultimately that they would approve of this provided that the United States was not to use it in the event of war without the approval of the then Australian Government. (Interjector - "That's fair enough") Well, you say so, but I'll make two comments on it.

First of all, that was carried by 19 to 17; 17 out of the 36, apparently, didn't want them there at all, and but for one man switching his vote, it would have been 18 all or 19-17 the other way. Now, how do you like that? Don't forget that the 36 are not dead; they meet from time to time and they lay down the law from time to time and every man in the Federal Parliament on the Labour side is bound by it. Just within a whisker of saying to the United States of America, "You keep off." They must be feeling strong. They must be feeling that Australia is a tremendously powerful country in spite of the wretched Menzies Government. They are prepared to say, "We are able to go alone. We don't want you, the United States, coming along and building a station." A more fantastic point of view I have never heard of and yet it went within a touch of being carried, and the 19 said, "Yes, well, no doubt there is a lot in what you say, but it will be all right if, in the event of a war, the Americans can be ordered out by us."

Now, ladies and gentlemen, do you like to imagine a war in this part of the world in which we are engaged, in which the United States is not alongside us? Do you like to think of it, and if you were an American, wouldn't you expect that if you had an alliance with Australia, Australia would be along if you were engaged in a war? The United States of America can't be engaged in a war in which it requires these facilities for its naval forces unless that's a great war and a great war against whom? Against the Communist powers. There is no other enemy. And to think that any nation would be prepared to invest its money and its time and its skill in putting up a signalling station on the North-West coast of Australia only to be told that at the very moment it needed it, it couldn't use it. This to me is sheer lunacy. Lunacy. And if that point of view prevailed, I wouldn't give tuppence for the durability of our arrangements with the United States of America and, quite frankly,

if I couldn't give tuppence for the durability of those arrangements, I wouldn't be able to offer much for our chances of survival.

And yet, this unreal view, this fantastic view is the one that went within - well was carried by 19-17 - and but for a little accident en route, it would have gone still further and the Americans would have been ordered out - if I may be completely Irish - before they arrived. (Laughter)

Ladies and gentlemen, these are great problems and they are problems here in a by-election, they are problems in the next Australian election and, apart from being a matter of political debate or argument, they are great problems for our country, because this is our country and we have the liveliest sense of obligation to preserve its security and to preserve the standards and future of the people who live in it.

Now I really think, if I may say so, that this by-election where there is an admirable candidate as you all know, gives you a splendid opportunity of firing a shot across the bows of the Labour Opposition at Canberra.
