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BROADCAST NO. 2

BROADCAST BY THE PRIME MINISTER, THE RT. HON. SIR ROBERT MENZIES, OVER ABC NATIONAL STATIONS AT 8 PM. ON MONDAY, NOVEMBER 18, 1963

In an earlier broadcast, I disposed of the campaign being conducted by my opponent, in a mixture of shouting and whispering, about my alleged imminent retirement from office after the election.

But Mr. Calwell's tactics do not end there.

Clearly in a straight-out conflict of policies, having in mind the record growth of Australia in the last ten years, and having in mind also the vital importance of a clear and unequivocal Australian foreign policy and Australian relations with our allies, Mr. Calwell has no great faith in victory. That is why he is busy raising these side-issues on which he thinks he can secure votes either by fomenting animosities or by creating fears in the public mind.

The one I want to mention briefly on this occasion is his statement that if my Government is re-elected, it will impose another far-reaching "credit squeeze", presumably out of a spirit of sheer hardheartedness. I don't like this because, as all my colleagues know, I am not a hardhearted person. Now, if Mr. Calwell knows anything about public finance, he must know that severe economic restrictive measures can be needed or produced only in order to check or defeat an inflationary boom. He knows, or should know, that a prosperous economy in which the extravagances of speculation have been checked, as they undoubtedly have been in the last two years, an economy in which effort is concentrated upon production and supply and in pushing forward works and national development, both public and private, is not an economy which invites extreme measures at all.

We have had the benefit of a great deal of experience in these matters in recent times. For myself and for the Government, I see no reason why continued economic growth should not continue to be associated with stability of costs and prices. We will do all in our power to avoid a cost-price spiral because we know that inflation, the fall in the value of money, hits ordinary citizens far more than it hits a well-to-do minority. But did you hear or read Mr. Calwell's Policy Speech? I hope you did. It contained the longest and most extravagant and expensive series of bids for your votes that have marked any election in my time. Really, it treated you as if you had your vote for sale! In his eagerness to achieve office (because I suppose that for him this may well be the last chance), he proposed to add to the supply of money in this country on such an astronomical scale that he has left himself, in the event of victory, with the choice of two evils. One is to have an inflationary boom so violent that even a Labour Government would be compelled to take the most stringent measures to counteract it, or alternatively, such an enormous increase in taxation, including no doubt new forms of taxation, as would be well calculated to destroy business confidence and lead to an acute depression.

Mr. Calwell tries to make your flesh creep with imaginary fears of which we would do. I would strongly advise you to get out of this realm of fiction and do some hard thinking about the price that you would have to pay one way or the other for the policy on which he asks you to elect him.