

PRESENTATION OF HOOVER AWARDS FOR MARKETING  
AT HOTEL REX-AT-CANBERRA, CANBERRA

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

Sir,

I begin all my speeches by a couple of preliminary remarks. One is that when I was invited to come to this enterprise, I burst into loud moans and said, "Oh, no. Look, I have to prepare about eight or ten speeches over that period," and then somebody said to me, "Well, of course, Professor Baxter has invited you" and, do you know, I must confess, I am a little frightened of this chap. (Laughter) In addition to being frightened of him, I have a very great respect for him, and so I said, in that grudging voice with which my staff is familiar (Laughter) "All right, well, if Baxter wants me to go, I suppose I must." You know, with falling inflexion. And then I said, "Well, what dope have you? You know, "dope" is the professional term. (Laughter) And I was given a certain amount of "dope" and then I found that my distinguished colleague, Mr. McEwen, had written or spoken - I've forgotten which - something on this matter. That wretched fellow, Westerman, will know. (Laughter)

This afternoon in the Cabinet, well, we were discussing other problems - not without difficulty - and at about twenty to six John McEwen said to me, "Would you mind very much if I didn't turn out to be there tonight?" (He had a very good reason for not coming) and I said, "My dear boy, I will be delighted if you don't come because I have read your statement and I propose to cannibalise it in what I have to say tonight." (Laughter) So with apologies from John McEwen, I am delighted that he is not here because at any given moment he might have looked up and said, "No, no, no. You've misunderstood me." (Laughter)

Anyhow, I was then given a handsome book, a splendid book, which contained all sorts of things in it, and I read a passage which I will take leave to read to you. It said this :

"The Hoover Award for Marketing expresses the conviction of the Hoover Organisation that progress in marketing, comparable to that in production techniques and organisation, is vital to the development of the Australian as of all free economies."

(Up to that time, I was right, I agreed, which I seldom do)

"Progressive improvement in the standards of living is dependent on greater efficiency in all marketing functions, both within Australia and overseas."

Now, Sir, I am not always profoundly moved by what I read in a book, but I was profoundly moved by that because I thought, "Now, that's it. This is true," because you know, Sir, we don't always realise, do we, that in our own lifetimes - and most of yours are a little shorter than mine - there has been a revolutionary increase in the complexity of government and in the complexity of economic affairs.

Now, I have very little reason to have any vanity about myself except that the people in a sort of occulting fashion have supported me for a long time, but I can remember what nobody else here can remember, namely, what it was like to be the head of the Government in 1939 - that's twentyfive years ago - and to remember the kind of problem that came on to the table at that time. I very well remember, in my vanity, in 1939 saying, "Well, I'll be Treasurer and I'm going to make a Budget speech without writing it in advance." You know, this was a mere exercise in vanity, and of course I had my reward because no newspaper ever published it. (Laughter) But one thing I do recall and it is worthwhile recalling it to your own minds and that is that there it was in 1939 - not all that long time ago - and I as Prime Minister and Treasurer produced to the Commonwealth Parliament the first Commonwealth Budget of a £100M.

Now, of course, for you juveniles here tonight, this gives you the horse laugh, doesn't it: The first Commonwealth Budget of £100M. I recalled that in Gladstone's last Budget in England, he produced the first £100M Budget in Great Britain. Well, of course, things have happened since then. I don't want to anticipate what my colleague, the Treasurer, will say tomorrow afternoon, but let us say, in a very loose way that tomorrow night it will be about £2,500M. I remember that because I remember that the economic problems were less complicated; that we had, to use the modern jargon, a rather less sophisticated economy. Yet, you know Sir, in spite of all this vast experience we do think, don't we, every now and then of our problems as if they were problems of A or B or C, problems in separation, problems of one bit at a time, instead of realising that they are problems of an entire character in which the whole pattern of the economy and of life must be considered.

Now, Sir, all I can say about that is there have been developments in the modern world. In my earliest days in Parliament, and as a Prime Minister, everything was simple; you know, simple but difficult, but simple in a sense, and ever since then in our own country we have come across the complexity of life, the complexity of the economy, the complexity of national life, the necessity of reconciling the development of our country with the stability of our country, with all sorts of other matters involving international relations. All this is perfectly true.

Now, it was said - and very interestingly I think - by the famous author of "The Affluent Society" that the world had been devoting itself to production and that he doubted whether production was the main problem. Well, he may have had something to be said for him. Most of us who have been concerned with these affairs have for year after year wanted to develop production and productivity. Why? Because we have known that all the talk in the world about rising standards of living doesn't mean much unless you have rising standards of production, that you must develop what is available to the people, develop it and develop it and develop it before you can give way to eager ideas on the distribution of what is produced and so, very properly I think, we have had our minds fixed on productivity, on production.

Then, in the last few years perhaps, we have found our minds directed to how you encourage production, how you make production effective and this has brought us the great problem of marketing, of salesmanship, because after all, you may produce all the things in the world but unless people want to buy them, unless people get them and use them and live with them, there is

no real increase in the standard of living of the people. Now this is quite true. Somebody, in an idle moment some years back, made me a Fellow of the Royal Society of Arts. I hope you gentlemen will treat me with proper respect when you know that. The Royal Society of Arts produces from time to time a journal containing their proceedings, the reports of what goes on, and in the last number that I received and in one of my multiple hours of leisure at the weekend, I read this. It produced a number which was devoted to advertising. Now, of course, there are gentlemen here who know more about this than I do. I am always a little allergic to advertising unless I've settled the photograph (Laughter), but on this occasion, Mr. John Hobson, speaking on the social and economic context of advertising said, among other things, two very interesting things. Some of you may know him or know of him.

First of all, he said increased production presupposes increased consumption but increased consumption can't be achieved merely by making an increase of goods available. This is something you will all understand. It can only be achieved by making the products wanted. This raises the question of salesmanship which on a mass scale is what advertising is. Now, with very great respect to Mr. John Hobson, I think that was a profoundly wise remark and it posed a problem which the author of "The Affluent Society" had not really coped with. Then later on he went on to say: "The economic phenomenon of abundance at mass level has a natural complement in what historians will, I think, recognise as one of the social phenomena of the century - the rise in importance of salesmanship. In the eyes of a limited intellectual and upper-class minority" (such as I am addressing (Laughter) here tonight), he said "salesmanship is not quite respectable. In the eyes of the great majority of the public, it presents very little problem. On the whole, you know, people enjoy being sold things." Now that, I thought, was pretty wise.

But this brings me, doesn't it, to the problem - production, productivity, the development of our resources - all these things which are vital to the future of the country and yet they could all be defeated unless what we produced we could sell, unless what Australia can grow and produce Australia can sell. Therefore salesmanship has become, if it wasn't always, one of the great tasks, one of the great techniques in the modern economy.

Now, of course, I am so old that I can remember Major Douglas and I met him once and I thought he was very amusing. He had a simple theory. He said that if you are to sell all the things you produce, then all you have to do is to produce money. Well, we've produced money, Heaven only knows. Here we are living in a country in which the state of the liquidity is almost without precedent, in which the people of Australia, man, woman and child, have hundreds of pounds in savings bank accounts. But how do you marry these two things? How do you marry enormous productivity, all the good fortune that we have had, good harvests, good seasons, great overseas markets - how do you marry these things with the people who have the money to spend and perhaps are not so much disposed to spend it. Now here, gentlemen, is where you come into this picture, because I believe that just as we have attacked, and not without success, the problems of productivity, just as we have encouraged productivity, just as my own Government - Heaven help it - has devised ways and means of increasing productivity, we must develop ways and means of getting bigger and better, more enduring, more expanding markets.

Now I know, Sir, that there is a great disposition in some parts of the country to raise an eyebrow - which few people can do as well as I can I'm told (Laughter) - to raise an eyebrow about the civil servant, about the bureaucrats, about this Department or that. I want to tell you, and I reserve all my rights to have a first-class argument with any Department, but I just want to tell you, reserving that right, that if somebody objectively sits down to write the history of the last ten years, he will find most remarkable events because he will find that this country, through its Government, through its Departments, has set out to win markets, to instruct markets, to have trade commissioners, to have trade missions, to do all these things which are designed to marry our own rare capacity for production with the eager demand, much to be encouraged, of people in the other countries of the world. This is quite true. This is, I think, of tremendous importance.

The more we produce, the more we must sell. The more we need to sell, the more we need to have people who are experts in selling. We must get over this silly idea that a salesman is a rather dubious character. We must get over this idea that advertising is, in a sense, a curiously dishonest exercise, because the truth is that if we are going to achieve what we want to achieve in Australia then we must produce and we must sell.

We may produce by cajoling people. We may produce by having, what I've become familiar with now, some stabilization scheme - Westerman knows all about this. We may do that, at that end. At the other end we must have people who will sell what we produce. And one of our dangers is that the producer may say, "Well, I've produced this. It's up to somebody else to sell" and that the seller may say, "Well, I don't know, there is a limit to what I can do." The truth is the solvency of this company in the long run depends not only on production - and I give that a high place in my world - but on salesmanship. This is why tonight is so important.

It's a very curious thing, I think, that we should fall into doubts and difficulties about these matters. I don't know why we should. The truth is that we are all - and don't forget this - members one of another. The old idea that I grew up with when I was a boy in the bush that you were either a primary industry man or you were a secondary industry man; you were either a free trader or a protectionist - all these lovely, simple, simple rules, these simple dichotomies are always so false. I grew up with them when I was a boy. Whatever success I have had in life is due to the fact that before I was much older, I regarded them with utter contempt because in reality we are all members one of another. You can have the greatest productive genius applied to what goes on in Australia and unless it is married to the greatest salesmanship on behalf of Australia, we will be no better off and indeed much worse off than when we started. Therefore, let us get to understand that we are all members one of another, that nobody can really succeed in Australia if the other man, in a big way, fails. We must work together.

Therefore, Professor Baxter, you who sit in the middle of all this and occasionally give me my orders, now much more audible than my old colleague, Sir William Spooner, has come from under your grasp (Laughter) - therefore, Sir, I want to say that I in reality came here, believing as I do most

faithfully that the art of selling, the business of selling, the Trade Commissioner service, the Trade Mission, the advertising of our own products has, in this day, become the most important complement of all to the drive for production in our own country.

Therefore, Sir, I can say to you, as I would say if I were addressing the Primary Producers' Union, who would regard me with modified rapture (Laughter) and I can say to you Sir, as I would say to them, because I believe profoundly in what they are doing, that this is a splendid occasion on which to recall that there is a balance in life, a balance in our own economic development, a balancing of factors in our own growth which we must always remember, and as you represent one side of that balance, then Sir I want to say, thank you very much. I will be delighted to hand out a prize and, of course, as a politician, no less delighted because the Hoover organization, I gather, is finding it, and I'm not.

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