

PUBLIC MEETING AT MACKAY, QUEENSLAND

DAWSON ELECTION CAMPAIGN

16th FEBRUARY, 1966

Speech by the Prime Minister, Mr. Harold Holt

Mr. Chairman, Ministerial and Parliamentary Colleagues:
Mr. Fordyce and Ladies and Gentlemen:

I am, as my colleagues have expressed themselves to be, very glad to be able to take a personal and active part here in this electorate of Dawson in the by-election which is being contested on behalf of the Government parties by a splendid candidate to whom you were listening a little earlier in the evening.

In John Fordyce we have the kind of candidate who can speak the kind of language and represent the interests which Dawson traditionally has hoped to see served in the national Parliament of the nation. He doesn't come to you as a crusader with a fanatical gleam in his eye, thinking of one topic only and regardless of the rest in which you are concerned. He comes from a background of diversified interests in the great industries and the varied activities which constitute this rich and diversified electorate and I am quite certain any of you who have not previously heard him in action have seen him in the flesh and heard him tonight, will feel that in John Fordyce, carrying the banner of the Government parties you have a candidate who will serve this electorate well for many years to come.

Now I come to you tonight, not for the first time in Mackay and certainly not as a stranger to Queensland, and I am not speaking of interest shown in this State in more recent years, but it is perhaps appropriate that my first visit to Queensland should have been made as a young member of the Federal Parliament just thirty years ago when at that time Australia not being then so conscious of the problems we face today and certainly with nothing of the economy we possess at this time, concentrated on what we would regard today as perhaps as not such large issues on which to wage a political controversy, but I can assure that at that time the hottest issue in my own electorate of Fawkner as I then represented was the price of sugar to the housewives of Victoria. And so I came to Queensland to see for myself whether the people I represented were being exploited in the fixed price being charged to us for sugar from this State, and I was able to see as I travelled North through the rich sugar areas and into that beautiful country which constitutes in my own judgment the most picturesque and attractive part of Australia. I was able to see that here were an industrious people working in tropical conditions which in past years it had been said that people of European race could not successfully handle, and here was the most efficient sugar industry in the world being developed by my fellow Australians under conditions which the rest of Australia should applaud. And since then I think I can fairly claim to have been a good friend of the industry and a good friend of this State. I am glad to say that this judgment anyhow is that held by my old colleague, Sir Arthur Fadden whom you knew so well in this city and by the present Premier and former Treasurer of this State, Mr. Nicklin and Mr. Hiley.

So I come to you as a friend and in confidence that what I have been able to do in the past and express on behalf of this State its development potential and the place it occupies in the national scene will have demonstrated my own good faith in what I have to say to you in the course of my remarks here tonight.

I have come tonight also as the political head of the nation and I say that very proudly, and at the same time conscious of the sort of responsibility it creates in the holder of that office. Mr. Whitlam, I see, was reported in the press today as having said that the leadership had been handed to me on a platter. Well I can understand the envy in his tone having regard to the current problems but really what he was saying was that having served my distinguished leader loyally and with devotion to the policies and principles we had worked out together for some ten years, when he saw fit to retire, my party paid me the honour of electing me unanimously. Now perhaps if Mr. Whitlam had exercised the same degree of patience, it might have been handed to him on a platter too, but you can't have it both ways and he's trying to get it rather quicker than I sought to do. But I am sure that there can be few countries in the world in which the democratic tradition has become so firmly entrenched and in which over sixteen or seventeen years of office we have been able to build up a much more friendly and co-operative community spirit than existed in the early years when I first came into Parliament, that as a result of these things there has been as smooth a transition of political authority as any country could hope to experience. Here we are going along steadily much as we have before but with a new Government feeling it to be its own responsibility to turn its attention to the policies of the day to see to what extent these should be varied in the national interest.

I want to talk to you tonight not just as the electors of Dawson, not just pointing to domestic or parochial issues and seeking to persuade you to vote for our side of government because you have responded to some direct appeal which goes to your own immediate self-interest. I don't decry that as a means of campaigning or indeed as forming an important part in the campaign now undertaken but I do believe from what I have read of the speeches of my colleagues that they have covered those aspects very thoroughly indeed before I came to the election. And I would therefore prefer to speak to you tonight as a fellow Australian interested in the large national questions, not academic questions but questions which bear on your own security, your own prosperity, your own position as a citizen in a country growing in stature, growing in influence, growing in prosperity and strength, and these things are of tremendous importance to us all, and it is fair for us to put it to you that if you believe that we have had any substantial hand as a government through our experience, through our judgment, through our capacities in bringing Australia to this level of eminence which has attracted the admiration of other countries in the world, then it is fair for us to say to you when the time comes, "Support the candidates we present to you" so that this process can be strengthened and so that it can continue to your advantage and to the national advantage. Now this is what we put to you in the course of this by-election. We can't say to you, "Look contrast what we are doing with what the Labor Party has been doing" because we have to go so back into the past in order to point to what the Labor Party did in that day and time that to many of you, particularly a younger generation of voters, it seems somewhat unreal. And yet there it was - the record stands on the board and I would hope that at times when you feel critical of your own government of the day, you will not be unmindful that we are facing up to situations and problems which earlier governments found themselves incapable of dealing with adequately.

If I may mention just one matter which I know troubles those of you who rely upon stable prices for competitive capacity in the export markets of the world, and we are grappling with this problem year in and year out. Not an easy thing in an economy that seeks to maintain full employment for its people through every State in the Commonwealth, to keep a stable price level. We have to contend in Australia with conditions of drought, other climatic factors. We have to contend with the fluctuations that occur so dramatically at times, as you learnt to your loss in respect of sugar in recent periods. We have to contend with these things and at the same time try to maintain some stability of price levels. I don't imagine that the Labor Party found this easy. When we took over at the end of 1949, the price level was rising at the rate of 10 per cent. per annum, and here for most of the period of recent years, we have been able to maintain a comparatively stable price level and it is only in the last year or so that these pressures have reasserted themselves, coming though, now, we believe, firmly under control. So we would put it to you that here is a government in office for seventeen years, not made up of the same people because we haven't clung to office as individuals. There has been a steady movement out of the Ministry with fresh faces and fresh vigour coming to build up the strength of the Cabinet that is left behind, and in point of fact there are only two members of the present Cabinet who were there when we first took office at the end of 1949. Those are the Deputy Prime Minister and myself. All the rest are men - and in Annabelle's case, a very distinguished woman - who have come to us since we came back into office in 1949. But there we've been. We are, as I say, a reinvigorated team of Ministers, refreshed by new recruits from time to time, for seventeen years, and no-one in their senses, if they had a successful business conducting their affairs and showing substantial profits year by year would think of tipping the whole management out in order to put in its place, a completely untried set of executives who have had no active experience of running that business at all. There is not one member of the Labor Party who will have administered a Government Department at any time over the past seventeen years, not in the national field at any rate, so that this we think is a matter of some importance.

Now, let us look at this next question, as it has been presented in this electorate, of development, but I am going to ask you to look at it also in association with defence, because if there is any area of Australia which has more cause to wish to see a strong and balanced defence programme, it is the community that lives in the north of Australia which is conscious as we all should be of the fact that we have 100 millions of restless neighbours to our immediate north, we have 700 million Chinese at present led by a government devoted to a philosophy of world domination, and exerting its pressures around South East Asia today to such a degree that we have had to meet it as a physical threat of war in the South Viet Nam area, and we years ago spent many years in Malaysia, trying to clean up the Communist guerrilla activity there. Now for Australia this problem has to become one of balance. It would be plainly, however serious we might regard our necessity, it would plainly be of great detriment to us to attempt to devote too large a proportion of our resources in the defence field. Of course, there has to be a substantial proportion going there, and £400M. and more of defence expenditure a year is no trivial figure for a country of this population to undertake. But development itself is defence in the long term because it is out of the growth of the nation, the growth of its population, the growth of its industries, that we draw the future strength in terms of manpower and resources for our own security and the contribution we make in this area in alliance with powerful friends for the peace and stability of the area as a whole. It is worth recalling that the United States of America in 1776 - that's a long time ago - the Declaration of Independence, had four millions of people, four millions only, and that was only twelve years before Australia had its first settlement. Now in that period, they have grown from four millions to 193 millions, while we have been struggling to get up to 11½ millions, and the secret of their success was instead of involving themselves in footling arguments about overseas investment, they took the people, they took the capital and they built the most powerful nation in the world in an area the same size as that of Australia and with resources certainly apparently greater than ours, but who are we to know at this point of time just what the resources of this continent will prove to be.

We have discovered in recent years literally treasure houses of resources for this continent, and they wouldn't be developed today at the rate they are or to the extent they are unless there was capital coming to us from overseas, joining in part with Australian capital for this purpose, but I know there are people who cover this problem with all sorts of emotional overtones and lose a sense of perspective about it. They ask, "What's the Australian equity in this kind of enterprise?" Let me tell you something of the Australian equity.

In every million pounds that is made - or say dollars that is made of profit by an overseas investor in Australia, we take \$425,000 from that million in direct company taxation. Now in practice, a company having paid its tax, ploughs back half of what's left into its own further development; in other words, more equipment, more job opportunities, more development for the nation. Now let us assume that there was \$575,000 of this \$1M. left and that \$275,000 of it went back into the business, leaving \$300,000 for remittance overseas. Now even on the most favoured terms, other than in the United Kingdom itself, the overseas investor will have to pay a withholding tax of 15 per cent. So out of that \$1M. of profit, we would have attracted to the Australian Treasury just on half a million dollars, some \$300,000 or thereabouts would have been ploughed back into the business, creating more job opportunities for our fellow Australians and the rest would have gone in remittance overseas. Now, with what comes into us as a result of this enterprise we finance the business of government, defence expenditure, the social welfare expenditure, the payments to State Governments, the advances for roads, the great variety of things which the Commonwealth Government these days has to undertake. So whatever views you may develop about overseas investment, don't let anybody convince you that we don't have an Australian equity in every successful overseas enterprise which flourishes in this country. Ninety per cent. of all the investment we make in Australia comes from our own Australian savings, but there are important areas in which new techniques, new enterprise, new development in areas remote which have not experienced that development before. All these things add to the national strength and it is largely because in recent years we have been securing an investment of great dimension from the United Kingdom, the United States, and now to a growing degree from Europe and other parts of the world, that we have been able to sustain a migration programme which is giving us a population growth rate of 2 per cent. or more a year. Now, in England, it is less than one per cent. In the United States, it is 1.3 per cent. and this extra percentage of population growth means we have to build more houses, and on the same scale, America, if it had our population growth would have to build an additional half a million homes a year; the United Kingdom 170,000 homes a year, and this is an indication of the sort of weight which rests on our own economy as we seek to cope with the problem of growth and with this great problem of defence. Now again, it calls for considerable experience, a great deal of judgment to maintain these things in reasonable balance so that the economy can move steadily forward and not become too top heavy in any one particular direction.

Now as to the offer which comes to you from Mr. Fordyce's opponent that he will carry for Dawson the Labor banner as your representative for the future - and I say for the future because I don't think that there are people in this electorate who would be so mean-minded as to say, "Well, we are going to take a poke at the Government this time. It doesn't matter very much, They won't be put out of office. It will keep them on their toes", knowing that for Dr. Patterson to be elected on this occasion and then rejected when we come to the general election later this year would for him, at any rate, be virtually the ruin of whatever prospects he might have under the rules which apply of re-engagement in the Commonwealth Public Service. And, therefore, I say, if you are to be fair to him, if you elect him this time, you should be doing so with the thought in your mind that you are going on to elect him at the end of this year.

Now, will he be able, if elected not merely now, but to continue as your representative, to give Dawson what Dawson wants in the national Parliament? In the first place, what private policy will he be able to express. We have seen vividly for us over recent days that no Labor Member of Parliament can regard himself as free to vote and act the way his own judgment tells him to do, not even the way that the Caucus, after discussion by majority decision determines to do, and so what confidence can he have whatever policy he wants to put up, even if he can persuade his Caucus colleagues, will he finally secure the endorsement of those outside the Parliament who dictate policy for it. When in the last election, we talked about 36 "faceless" men, the Labor Party rejected our charge and said it was totally unfair and untrue. Now we are told that there aren't merely the "36 faceless men"; Mr. Whitlam has described his associates as the "12 witless men" of the Federal Executive. Where is Dr. Patterson to go with them?"

Now in addition, Mr. Whitlam went on record yesterday and this he would not deny because he said it quite deliberately, as declaring that he wanted to be the leader - and I quote his actual words - "of a radical and socialist Labor party". Now that's fair enough. If you want to be the Leader of a "radical and socialist Labor party", then it is a very proper thing to say so. It is about time that we did learn from the Labor Party just what it was that it wanted to be, but do you as voters in Dawson want a candidate - I gather that Dr. Patterson has already thrown in his lot with Mr. Whitlam (I hope I state that correctly) but do you want a "radical and socialist party" to be speaking for Dawson and putting before the community policies which reflect that radical and socialist spirit. I think most Australians today want policies which give them the opportunity to take advantage of all that Australia offers and what country has wider opportunities, more abundant and varied opportunities for the free expression of choice than we have in Australia at this time. The Australian people had a taste of regimentation during the war years. They've never wanted it again and any party which would seek to reimpose it on the Australian community is doomed to electoral disaster. But in these brave words of Mr. Whitlam, one finds echoes of the regimentation of the past. With the full choice of every other word he wanted to use, he declared that the party he wanted to lead was to be a radical and socialist Labor Party.

And so when I read about Mr. Whitlam fighting the Left Wing of the Australian Labor Party, I wonder where the Right Wing has got to. If he's the Right Wing then I think back to the time when he said that ideologically he was closer to Dr. Cairns than to the Right Wing of his own party. So there must be a bit of jostling in the Left if he represents the Right and Dr. Cairns, Senator Cavanagh and Tommy Uren represent the Left Wing of the party. Now Dawson doesn't want that kind of electorate representative, I am quite certain. You have in John Fordyce a candidate who can express the kind of policies which Dawson wants to see espoused and who will stand for the kind of Australian way of life which has been built up over these seventeen years and which has commended itself to the Australian people at every election held since that time. True, you gave us a narrow squeak particularly here in Queensland in 1961, but I hope that we have demonstrated since then that we too can learn from experience and that the Australia of today which stands so high in the rest of the world will stand equally high in the eyes of the electors of Dawson when they come to the poll on the 26th.

Now ladies and gentleman, there are a great many things one can say, but you have certainly given me a very warm welcome here tonight and it must be becoming considerably warm even for those of you who are accustomed to the climate of this very delightful part of the world. My good friend, Ian Wood - I haven't been here, I think, for ten years and at that time we had quite a bit of difficulty on the waterfront as some of you will remember it almost as vividly as I do, but I don't feel I've been away from you very long because you've got the greatest travelling salesman for Mackay in the person of your Senate representative that any city in the Commonwealth can hope to possess.

And so, ladies and gentlemen, the choice should not be a difficult one for you. Here you have a country proceeding vigorously with its national growth under policies of free enterprise, still providing three out of every four jobs in Australia. I will close, perhaps, just on one reference which comes back into my mind as I mention this. I said earlier that I made my first visit back in 1936, and I can remember the excitement I felt about this wonderful part of Australia which I discovered for the first time, and the amazement I sensed at what seemed to be the wonderful opportunities, the potential of what could be the richest State in the Commonwealth of Australia. And I went back to Melbourne and talked to some of the men I knew in business and commerce there and I said, "Look, here's this terrific State with all its potential. Why aren't you putting more of your resources into investment in projects in Queensland?" And the answer I got was, "Not on your life. This is the highest taxed State in the Commonwealth and if you make a success of the business you stand a very good chance of having it taken over by the Government" Now that was the period when governments took over all sorts of things including butcher shops to try to run them as a State enterprise. But you had then the highest rate of tax applying anywhere in the Commonwealth, and this was under Labor Administrations of those days, and when you wonder now why you don't have as many employment opportunities in Queensland as in some of the other States, you have to go back to a period when the investors of that time were discouraged by the circumstances they found in the State, discouraged from coming here and building the job-giving enterprises which they turned to other States to carry out.

Now I believe that Queensland is launched on a new wave of expansion because it is creating again a climate of incentive, a climate of attraction before people who are prepared to risk their capital and their skills in a State which offers much to them, and that climate will continue to exist while those who put their risk of investment here feel that there is a favourable environment, a favourable political stability. We are getting investment from around the world today because of the political stability people perceive in this country and when they come to individual States inside Australia, they look to the State which seems to them to offer the most attractive climate and the greatest area of political stability.

Now you are achieving that and I would hate to see a vote in Dawson which could'nt be a true expression of the long-term political sentiment of this area being given to a Labor candidate just to teach the government a lesson and certainly not see it when you have a fine young candidate who will, I am sure, serve this electorate with devotion and ability if you will only get behind him and give him your support. We ask you to do so.
