

ROYAL COMMONWEALTH SOCIETY LUNCHEON

LONDON

8th September 1966.

Speech by the Prime Minister Mr Harold Holt

Your Grace, Ladies and Gentlemen

Our Chairman and I have attended a number of Commonwealth gatherings, usually uncomfortable, but by no means as agreeable as this meeting we have in company with you today, and I speak a little feelingly because I think I've spent one of the more uncomfortable of my mornings in the service of the Commonwealth this morning at the Prime Minister's Conference. One of our delegates has been going for a couple of hours and is still in play. I don't mean to keep you anything as long as that, and indeed I felt that there were about three matters that I could hope to cover and then at question time perhaps we will supplement and broaden out a bit what I've been saying or touch on other matters which could be of interest to you.

The three things I thought I would canvas with you today would be first the contrast which exists - and I speak now not as an old Prime Minister but as an old campaigner whose first ministry was in 1939 and attended the first of the Post-War Prime Ministerial Conferences when the New Commonwealth was emerging. And there is a contrast, of course, to be painted between the conditions under which Prime Minister Conferences were held then and how they are held at this time.

The second thing was to say something quite briefly about Rhodesia, which quite clearly is the dominating issue of the Conference - briefly, because we are still in discussion on it and I've not yet made any comment myself in the Conference, although I would have hoped to do so this afternoon, but for the rather lengthy contribution which seems to have absorbed most of the working time so far today.

The third aspect which I hope to have time to touch on arises from some of the things I've been reading, more particularly over recent months following a couple of visits I made to Washington.

I'd always regarded myself as a fairly staunch supporter of the Commonwealth of Nations and, in particular, of the British-Australian connection, but I see myself described by some as having sold out to the United States or having thrown in my lot with America. Well, of course, there are some very good reasons why Australia should be close to the United States, which you will appreciate, but I would hope to find time to tell you something of the continuing link which exists between this country and Australia, not merely links of sentiment - although these are powerful - but material links of trade, mutual problems of security in the area, and other matters of that sort.

Now, firstly, contrasts between the Commonwealth Conference as I first knew it, when one could gather all the delegates into No. 10 Downing Street. It was, of course, in those days a white Commonwealth Conference; there were no difficult racial problems to concern ourselves with. The delegations fitted comfortably into No. 10, the discussions were cosy and intimate, from men of like-minded views on the problems of the world. It was all very agreeable and it helped to knit us together very closely indeed, and there is today, of course, a quite remarkable contrast as a result of the evolution that has gone on since the second world war.

The new Commonwealth was given its first expression in the Commonwealth Parliamentary Association Conference of 1948 when we had India Pakistan and Ceylon added to the former white and European racial team. but since that time of course, there has been the proliferation of other membership and also certain changes inside the composition of the old Commonwealth with the result that as we sit round the table at the present time there are the four old Commonwealth countries of European racial derivation - The United Kingdom Canada, Australia and New Zealand - and with the full team there would be 19 others from Asia and from Africa and other parts of the world. There are 22 Delegations represented at this Conference, quite a good muster considering the subject matters to be discussed, but one of the questions which we shall all be asking ourselves increasingly as time goes on is a sort of mental debit and balance sheet so far as the Commonwealth is concerned.

I know that there are many people that have their doubts about the continuing value of the Commonwealth, some of them outside this country and some of them inside it, and I don't think we have been assisted in forming an objective judgment by those who arrive on these shores threatening to withdraw unless their terms are acceded to. This, not unnaturally, provokes a reaction amongst many people inside this country that the United Kingdom might be more comfortably placed without such ungenerous or unfriendly or critical associates inside the Commonwealth. Now I think both of these developments are to be regretted. They are both, in a sense, understandable and it calls on our patience, our wisdom, our tolerance to see them in their true perspective. But if there are to be these uncomfortable problems in an uncomfortable world, perhaps we are better off - and I incline to that view myself subject to what emerges in the course of the next few days - we are, I believe, better off having these exchanges, however searching and even acrimonious around our own table, able to round off the sharp edges of discussion with the personal and intimate contacts we have outside the conference room itself. That surely is to be preferred to the alternative of long-distance exchanges either at the United Nations or some other international forum.

I'm quite certain that the Commonwealth has been a force for good in the years which have preceded our present situation. It has - and I speak as a veteran parliamentarian who has attended many Commonwealth Conferences in the Parliamentary field, and quite a number of conferences of Prime Ministers - it has undoubtedly contributed to a better understanding of each other and our problems. it has established personal contacts which have bred respect for the other man's point of view, and has developed a better and more realistic appreciation of his national position and so all these things are advantages. But on the other hand must be weighed the cost to the United Kingdom in terms of international confidence. If it is to be a punch-bag for visiting delegations, some questioning the good faith of the Government of the day, some asserting that there are racial prejudices which are complicating the solution to these difficult questions then it may well be that Great Britain pays a price in international respect and confidence which is far outweighing the advantages which the Commonwealth currently brings to it.

These are matters of judgment which can be resolved, I think more fittingly by a United Kingdom Government weighing up the 'Pros and Cons' than by those of us who can take a rather more objective view of what lines of criticism are being developed against this country. But I've heard a great deal in recent days which I believe is neither fair to this country and is not practical in the political measurement that we bring to policies directed at particular problems.

Now, just to give an illustration surely the best and most effective answer to any charge that the United Kingdom has allowed racial prejudice to distort its view of these questions is the nature of the gathering in which we participate at this present time. As I said, it's not so long ago it was an entirely white and European community of representatives - European as to race, at any rate and outlook. But by the deliberate choice of those who were.../3

at that time the members of the Commonwealth and, in particular, in response to British leadership, we have seen emerge the Commonwealth of Nations multi-racial, representative of all the national groupings - at least all types of national groupings, differing creeds, all the differences which we are conscious of, those of us who have an enthusiasm for the Commonwealth or have attempted to contribute to its continuance and successful operation. These are the cliches of Commonwealth, in a sense.

We know that embraced in our membership is about a quarter of the world's population covering about a fifth of the world's total area, and it would be a remarkable and welcome achievement if over the period of years we could demonstrate to the rest of the world that this multi-racial association succeeds, that it has brought people closer together, it has helped to solve difficult international problems and it has promoted economic progress, national security and a general situation of peace. Now these are the great objectives of our Commonwealth community and it would be, I believe, a tremendous sacrifice of aspiration if, because of irritation or our own frustrations or, indeed, the irritations and frustrations of other members of the Commonwealth we were to find withdrawals or damage being done to the structure of such magnitude that the Commonwealth did not possess a continuing existence and a hopeful future. And so over the critical days which lie ahead of this particular conference I hope that these thoughts will be uppermost in the minds of the Delegates, and that they shall apply the test of what is fair, what is practical, to the suggestions and solutions which come to us around the table.

Now the second matter that I wanted to mention was a passing reference to the question of Rhodesia and here, perhaps, is the illustration of my comment that much of what I have heard has been neither fair nor practical. When the United Kingdom's own good faith is brought into question in this matter, those who make these charges I believe ignore the relationship which has existed over the years between the United Kingdom and Rhodesia.

When it is urged that force be employed then, in my view, that is an impractical course. I would very much question whether a Parliament in the United Kingdom would give support to a Government which directed force against the people Rhodesia when the possibility of other solutions had certainly not been fully exhausted.

We in my own country have seen this as a special problem between the United Kingdom and its former colony, but we have, for our part subscribed to the programme of sanctions which was agreed upon and our current arrangements apply to about 96 percent of our former imports from Rhodesia. But there is, I believe, in this issue a test of the good sense, a judgment of what is practical and what is fair in relation to the United Kingdom itself, and when it is known, as is the case of course, that the United Kingdom which could have resolved this matter of itself and through its own policies has brought the Commonwealth as a whole into conference with it, that again is I believe, a substantial answer to any charge of bad faith or failure to deal with it in a Commonwealth spirit.

I can't go over the ground of the Rhodesian issue in any detail because the discussion is still before the Conference. I haven't spoken on it there, and although our practices are changing, I think not necessarily for the better in relation to public disclosures, I at least would like to say rather more to my colleagues before I say a great deal on this in public. But perhaps it's reflective of the changing situation, that I make that comment about the changing procedures.

In earlier times it was an intimate, confidential discussion with Prime Ministers reporting back to their cabinets and the world hearing very little about what went on beyond the rather sterile language of the communique.

Well, all this has changed, I repeat not necessarily for the better, the highest common denominator of agreement that we seemed to be able to work out on this business was that Delegations would make known their own views to the Press, but were enjoined not to discuss the views expressed by others, and as somebody said when this suggestion was made, "That's a counsel of perfection".

Well, we've now reached a point where, I gather, on one earlier occasion I don't know whether it's repeated on this one. countries have engaged the services of professional Public Relations Consultants. Now heads of Delegations give a direct interview to the Press following the contribution that they have made inside and all this marks a contrast between what had gone before and the current situation. But are we to condemn the whole system on account of what may seem to some of us to be imperfection in its practice? Perhaps in the current state of the world and with the sensitivity on these issues of race, of colonial evolution that kind of public use made of what is regarded clearly by some as a political forum or a means of national propaganda, this is part of the refraction on the machine in modern times.

But out of it all, although I confess that I came away from this morning's discussion a little more pessimistic than when I went in about the future of the Commonwealth. I've still retained in my own heart an optimism that when we come to the end of the Conference talks we'll have felt that it has been of value to have these frank exchanges together to carry away with us a more realistic awareness of how developments in particular countries are affecting the Governments of that country or of neighbouring countries and in this way at least assist towards a more effective solution of the perplexing international problems which are vexing us all in these difficult times.

Now let me turn from that because I'm not unmindful of my undertaking to answer some questions. To put the question to myself - I was just writing some notes for this this morning. I did it in shorthand terms by saying "How British is Australia?"

I wouldn't have thought I had to ask myself that question but when I read these Press commentaries that Australia is going through a metamorphosis of ideas and attitudes and policies which is tending to weaken our link with this country - well this is - I won't use the word 'nonsense' because there have been changes of a quite important and material kind which I shall refer to - but it misreads the Australian situation altogether to imagine that there is not a strong continuing link of affection and mutual interest between this country and our own. It's not the same relationship which exists with our powerful friend the United States. The relationship with the United States is a relationship of friendship, of comradeship of mutual interest in that area of the world. The relationship with this country is for most of us a relationship of family of kinship and there are these different attitudes which obtain as between friend and friend and between members of a family and one is very conscious of it as we come here or as you come out, as I hope you do, to see us.

But let's face quite realistically together some of the changes which have been occurring. I refer first of all to immigration. It may interest you to know that since the second world war a total of 2,400,000 people in round figures have come to Australia as long-term or permanent arrivals. They haven't all stayed there of course, but most of them have, by far the overwhelming proportion of them have stayed there, and included in this total - and this is sometimes overlooked - is the fact that more than 50 percent of these arrivals have been British, and so. Although in some ways you'll discover some changes in community living in Australia - we get better food and drink than we used to get. Thanks to the arrival of Italians and Greeks and Dutch and Germans and other nationalities - you can get almost any type of meal including Chinese and Japanese cooking as you want it. Australia has at least on that account become a very much more delightful place to live in - but more than half, I repeat, of the immigration has been still from the British Isles.

Now this is important when I go on to the next detail, and that is that of the people living in Australia today one in five has either been a post-war migrant or the child of a post-war migrant, and when you get down to the younger age groups - say up to 30 or 35 or thereabouts - the proportion becomes significantly larger - one in 4 of the young people in Australia would have been either a migrant or the child of a migrant. Some people knowing these figures have assumed from it a weakening of the British composition of the community - well, I give you the other figure again to offset that - for you've provided us with something more than half of the total and the tendency, of course, has been for these other nationalities I've mentioned to make their useful and helpful contribution at the cultural level, at the community level, in productive terms, adding skills and their own enterprise to the national effort, but the country is still overwhelmingly a British community.

Now I don't say that its attitude tends to become more British in the sense of emulating what goes on in the British Isles. If we're going anywhere we're not going American, we're going Australian, and there is, I think a stronger sense of nationalism a feeling of growing pride in Australia its achievements, its potentialities, even its hazards as our own people see a larger place for themselves in relation to the affairs of Asia, and this is certainly worth bearing in your mind if you are to understand what is happening out there.

Now there's been a great deal of talk in this country, I know, about what again has been described in shorthand terms as a defence policy east of Suez, or a British effort east of Suez, and I've been myself irritating enough to try to demonstrate to people in Governmental and other high places that this must not be either overlooked, forgotten or ignored in relation to the future of this country. Heaven knows, we all appreciate the burdens which the United Kingdom has carried for the rest of the world, and I'm not seeking to add to those. We shall be carrying ourselves a greater share of responsibility as we grow in strength as we shall in the years ahead, and again our great ally in the Pacific, the United States, in recent significant pronouncements from President Johnson has made it clear that the United States sees for itself a continuing role in relation to economic progress in Asia and the security of the free countries of Asia. You get a reflection of this in a recently-formed association of countries, what we call the Aspac Group, the Asian and South-East Asian group of countries, which have come together for reasons of mutual interest. They include Japan, Thailand Korea, Vietnam Malaysia, the Phillipines, Australia New Zealand, now which is the 9th? - anyway there are 9 of us there in that area of the world. It's not a strong defensive combination or intended as such but recognising that we have joint interests in the successful development of trade, of exchanges between our two countries, no dominance by any particular major power, but a recognition of common interests making association desirable.

This is a quite remarkable contrast, of course, with the situation of a few years ago when Japan was the country that we had been fighting. Today our trade with Japan is second only to that of the United Kingdom. By next year it will certainly be our first customer in current trends. Just to give you one illustration of the way in which our trade will be building in future years, we currently have iron ore contracts negotiated with the Japanese to a value of over one thousand million pounds sterling and these have yet to get fully under way, and we believe this to be only the beginning of a growing trade in this commodity so basic and vital to the steel industry of Japan.

Our trade with that country, I think I can give you a figure or two on it, has grown from about six million pounds in 1951 - our imports in 1949-50 were £6,000,000 sterling and our exports £19,000,000. Last year imports had grown from £8,000,000 to £112,000,000 and exports from the £19,000,000 to £188,000,000. Our trade through South-East Asia and Asia generally - well, trade east of Suez has built up from 16 percent of our total trade in 1951/52 to 33 percent in 1965/66 and the likelihood of that increasing is established by trends in the trade curves with the various countries of the area.

the first part of the document, the author discusses the importance of maintaining accurate records of all transactions. This is particularly crucial in the context of financial reporting, where transparency and accountability are paramount. The text emphasizes that every entry, no matter how small, should be meticulously documented to ensure the integrity of the overall financial statement.

Furthermore, the author highlights the need for regular audits and reconciliations. These processes serve as essential checks and balances, helping to identify and correct any discrepancies or errors before they become significant. By adhering to these practices, organizations can minimize the risk of fraud and ensure that their financial data is reliable and consistent.

In addition, the document stresses the importance of staying up-to-date with the latest accounting standards and regulations. The financial landscape is constantly evolving, and organizations must adapt their practices accordingly to remain compliant. This involves continuous education and training for all staff involved in financial operations, ensuring they are well-versed in the current requirements.

Moreover, the author discusses the role of technology in modern accounting. While traditional methods have been effective, the integration of advanced software and digital tools has significantly enhanced efficiency and accuracy. Automated systems can handle complex calculations and data entry, reducing the potential for human error and allowing accountants to focus on more strategic tasks. However, it is also noted that proper implementation and security measures are essential to protect sensitive financial information.

The document also touches upon the importance of clear communication and collaboration between different departments. Finance is not an isolated function; it interacts closely with operations, sales, and management. Regular meetings and open lines of communication help in understanding the broader business context, which is vital for making informed financial decisions and providing meaningful insights to the organization's leadership.

In conclusion, the author reiterates that successful financial management is a multifaceted endeavor. It requires a combination of rigorous record-keeping, regular audits, adherence to standards, the effective use of technology, and strong inter-departmental communication. By following these principles, organizations can achieve financial stability, transparency, and long-term growth.

So, when you put all these things together I think you get some explanation of Australian attitudes which have seemed at this distance to reflect even a change of orientation a change of sympathy and if not of allegiance at least of association, but when you see the basis for these things, the security contribution which the United States makes to us through our treaties under Anzus - The Australian and New Zealand Treaty with the United States - and the Treaty arrangements made with this country and with the United States under the South East Asia Treaty Organisation, these things quite clearly have their impact on Australian attitudes.

This growth of trade on a quite dramatic scale with countries with whom trade was almost non-existent 10 or 15 years ago, this again is effecting the concentration of our outlook which was in my early days in public life almost entirely directed towards the British Isles and Europe generally. These days at least a large part of our attention is given to the possibilities developing for us to our north, and of course out of trade and security arrangements there is a growth of personal contact.

It was not entirely for the significance that has been attributed to it, that my own first visit as Prime Minister outside my country was to a group of countries in South-East Asia rather than to the more traditional sources of Australian contact and association. I say it wasn't with quite that significance, because my role and intention was to see our own troops where they were stationed in that area of the world. But in a result it developed into a quite sizeable diplomatic exercise and I was interested to see subsequently that the countries of Asia themselves were reading into this an Australian interest, a lively interest in our future with them which they were welcoming. Well the need for it is clear and I think that Australia can, by the growth of our own economy and our contacts with these countries, make our own international contribution to the objectives of which the United Kingdom and the United States have in relation to the world generally. We are helping, we believe, in this way to preserve freedom for those peoples of Asia who feel threatened by communist aggression. We are strengthening the economies of the free areas by the increasing trade, increasing aid and eventually we would hope through these massive programmes which the United States has in contemplation.

Now please see all these things in their perspective, but this doesn't detract in any substantial way from the feeling that Australian people have, that our destinies in the future as in the past will be closely linked together and that the problems which you face both in relation to your internal adjustment and the problems in relation to the rest of the world will always be of acute interest to us and of sympathetic concern to the people of my country.

Now Mr Chairman I haven't left all that time for questions - I apologise for going, not as long as my colleague from an unnamed Commonwealth country, but longer than I had intended. Thank you very much.

Question How important Sir, to Australia is the continued presence of British troops on the ground in Malaya?

Answer Well we think there is an importance which goes beyond the security consideration measured purely in military terms. The rather curious arrangement which has built up over the years whereby a Commonwealth force has been stationed in Malaysia and a large naval base has been operated out of Singapore, these establishments have - with the troops located at them - been a stabilising and moderating factor we believe in the affairs of the area, - and I know that this view is shared by the Government of Malaysia and certainly the Government of Singapore and when we had our talks earlier in the year with Mr Healey we made this fact sufficiently powerfully known to him to have some impact we believe on British thinking and we welcomed the decision which was then made. We don't ask for large forces to be there, but we think that you people in the United Kingdom underrate your own influence and the character and strength which Britain still possesses around large areas of the world.

**Question** I wonder whether the Prime Minister would be good enough to tell us whether the future plans of Australia contemplate the early arrival of Asian immigrants, particularly the country with which they now have trade worth £1,000,000,000 and the trade it is said is likely to increase.

**Answer** I am asked as to whether we contemplate an influx of Asian immigrants. I do not. We do have in Australia at the present time a considerable influx of Asian students to our schools and universities amounting to about 12,000 or about 5 percent of our total university population and the figure is tending to grow. This is one of the useful ways in which we are proving helpful to the people of Asia and indeed if we were to say to those students that they were to remain on in Australia when their courses were completed, I think the friendly relations currently existing between Australia and the Governments of the area would quickly be affected for the worse. They want the students back with them to help them with their own problems. But I don't think it's generally realised that attitudes in Australia are rather more liberal and sensitive on these questions than is usually conceded to them.

I said, half jocularly when a question somewhat along these lines was put to me as I was leaving Australia "Well, you know a country which has just elected a Chinaman to be Mayor of Darwin and a Japanese to be Shire President of one of our Victorian Shires and has invited an American Negro Dean Dixon to run the Sydney Symphony Orchestra can't be too racist in its general attitudes" and I don't know of any complaints of discrimination inside Australia, any complaint of discrimination on racial grounds.

But the question of immigration on the large scale - it is not as if there hasn't been some history of these matters in the past. There were times in Australian history in the past when the migrants came in as a result of encouragement and it was because of the social and racial disturbances which then followed that restraints had to be applied. There would be no answer to the population problems of Asia to be found in our own country on a basis of Asian migration and indeed if one talks to the political leaders of these countries I think they recognise the value for them of a strong-growing homogeneous Australia rather than one divided by a plethora of minority elements contributing to national weakness.

But in the administration of the policy, we do have room for humanity and good sense. An Asian who marries an Australian takes up citizenship by that fact alone. The children are of course Australian children and there is room inside the policy for admission on a permanent basis of Asians who have some special contribution to make to our national advancement.

**Question** Sir, can you see a future growing up in Australia as a buffer say between Asia and the rest of the Western World?

**Answer** Well, I should hope we wouldn't have to regard ourselves as a buffer, because I would trust that the relations between Asia and the rest of the Western World will be cordial and co-operative. Certainly that will be so of the kind of Asian countries with which we are associated in the Aspac Group.

Australia is not a large country in terms of population although we are large in area and I believe large in potential. But we don't claim the capacities of a major power to the extent that a national capacity for friendliness and a well-developed spirit of mateship can contribute in our discussions in Asia to better relations in Asia and other parts of the world - well that will be freely forthcoming.

**Question** Is it true there is growing opposition in Australia Sir to your Rhodesian Policy?



Answer I am ~~certainly not~~ conscious of it if there is. I don't think Australians have followed with anything like the same detail developments in Rhodesia as they have, for example in Vietnam which is an issue of very much more direct concern to us and to our security as it is seen from there at any rate. But there has been in Australia as a carry-over of a comradeship in arms of two world wars and the admiration for the early settlement under difficult conditions in that part of the world of British settlers in particular a friendliness and a sympathy which does affect the public attitude to this particular question. That has not, however, prevented either the Government, the Parliament and the people from supporting the policies we have pursued of maintaining sanctions against the present administration.

Question What will be the future of the Commonwealth if all the African countries walk out of the Commonwealth?

Answer Well I Hope that's a question we don't have to answer.

I would certainly have hoped that there is sufficient responsibility and tolerance and recognition of the quite serious and damaging effect it would have around the world for us to avoid any action of that kind. However it is a question which events will answer before all of us are very much older.

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