

CITIZENS' DINNER

MELBOURNE

Speech by the Prime Minister, Mr. Harold Holt

3RD NOVEMBER, 1966

Mr. Chairman, My Lord Mayor, Mr. Perrett, Organizing Genius Noel Curphey, Distinguished Gentlemen I don't say "Guests" because I'm not too sure about that

I suspect you've been mulcted as most of us have this sporting week here in Melbourne. But thank you very warmly indeed for the way in which you have not only greeted the toast, and if I may, Mr. Perrett, I would like to say how much I thank you for your generous words and for this scroll which I shall cherish as long as I shall live and which I believe will be carried around as a reference for such employment as they may need by the members of my family.

I am particularly appreciative of what you have had to say about that remarkable woman, my wife. It is not generally known that her second name is Kate - not Kate for short, but Kate for long. And Kate is the daughter of a Scots-born McDonald. So if I can't become a Knight of the Thistle, at least I am keeping close to the Scots! She also happens to be - so we believe - on her paternal side, a direct descendant of Charles Dickens, and I only wish she had taken time off to write a speech for me tonight as appropriate as that that Mr. Perrett has just employed. But having read this rather lyrically-expressed description in the menu and having heard that warm-hearted and somewhat ebullient tribute from Mr. Perrett, I feel a bit like the company that has decided it hasn't quite lived up to its prospectus. At least while the words are still in the prospectus it feels it has got to keep on trying and declare a useful dividend sometime. Well that is what I am hoping to do for this wonderful country which it is my great honour and pride to lead as Prime Minister at this time.

A very great man - in my judgment at any rate - who served us magnificently as Governor-General, wrote to me some little time ago on a matter which had interested him, and he concluded what he had to say in his letter to me with the sentence: "What a fascinating time to be Prime Minister of Australia!" And surely there is not one of you around this room who wouldn't echo that sentence. There may be all the problems, all the worries, all the tribulations I thought I'd reached the peak of these when I was Treasurer. I used to look at my distinguished leader and think, "It's all right for you, all this honour and glory, while I'm doing so much of the work in the background here". I suppose Billy McMahon feels that way about me now. But when I discovered that I was the goldfish in the bowl, I realized how much one had foregone of some of the pleasanter things that one found to do in earlier Ministerial representation. But it is a well-accepted sacrifice -- that's not the word, because it is an honour and a distinction which I treasure, and I hope that I can prove worthy of it. You've been kind enough tonight to encourage me to believe that already in somewhat less than a year I have been able to project not only my own individuality but something of the thrusting, eager, individualistic adventurism of this wonderful country of ours to the rest of the world. And I believe this is how the rest of the world is viewing us at this time.

It is, as was so well said, a fascinating time, and I will say more about that a little later.

I should warn you that Noel Curphey has organized everything so magnificently that the band that you have heard playing so splendidly here tonight actually comes from the heart of my electorate. You may have seen me go along a little earlier and tell the boys how well they were doing. Well, this is not entirely related to the events of the next few weeks, but I hadn't seen much of them since January and one doesn't want to be overlooked in these matters entirely. But he thought of everything, and as I look around this room here tonight, I not only sense a friendly warmth but I can see so many friendly faces of people who have known me from my earliest days in politics, some even beyond, and people who are eminent in their own class. Now Keith Rigg down here, he is known to you as a very capable executive in his own area of activity. But if you had seen Keith Rigg leading me on to the field in my shorts as the youngest member of his cricket team at Wesley, you realize the awe in which I still hold Keith Rigg. At least he got up close to Test standard and I worshipped him as a younger member of his school.

And I see other people who are leaders in their own sphere. Now right down here in front of me is Graham Kennedy, the king of television, and how often when I've been asked to do a stunt in front of this terrifying medium have I thought, "I only wish I had this fellow's savoir faire and technique for this particular operation". All around, you see, there are the leaders.

Now on my right here is the man I always believed brewed just about the best beer to be found anywhere in the world, until Maurie Nathan had the "courage" to take him on! I should tell you, giving me my guidelines a little earlier, Noel Curphey said to me, "Now there are not going to be any other politicians or public servants here tonight" and as you will have discovered, both categories at times can prove difficult or embarrassing to a Prime Minister. I saw two very distinguished members of the Commonwealth Public Service of yore here tonight, both carrying well-earned knighthoods, in Sir Giles Chippindall and Sir John Jensen, and I dips my lid to them figuratively. They are great men who have done great work for Australia and may I say to them how delighted I am that they should have come out tonight to honour me in this way.

But we do have a wonderful tradition in our Public Service which we ourselves have inherited from the British Public Service, and I mention this because I know there has been some controversy in relation to one member of the Service in recent times. There is this well-founded practice in England, firmly established and with very rare exceptions, followed here, that the members of the Service do not enter into public discussion or controversy. There are very good reasons for that because there is a special relationship which exists between the Public Service in this country and the Parliament and the Ministry.

Now, this is not universally the case in the United States. They have a rather different system. The Secretary of a particular Department is by practice the Minister of that Department. He is the policy-maker. In our country, policy-making responsibility is carried by the Ministry and the individual Minister of a particular Department. He brings his policy recommendations to his colleagues in the Cabinet and they either accept them or reject them, and what is then accepted becomes the policy of a

government, exclusively drawn from the Parliament and responsible to that Parliament. It can only survive while it maintains a majority support in that Parliament, and eventually when election time comes around, responsible to the electorate which put the Members there in the first place.

And so under our system, the public servant is not the policy-maker in the sense that he takes the decisions on policy. He is the administrator, and he must be prepared to serve all parties who may secure a majority vote with the same faithful service, the same objectivity as he would any other. It is for him to carry out the policy which the government, responsible to the Parliament and to the electorate, has decided upon. Now, it is quite clear that there are occasions when, with the authority of the Minister concerned, explanations are publicly given by members of the Service. During the introduction of decimal currency, I asked my officers of the Treasury to go around explaining how this thing was to work, and they did with objectivity and discretion, and that is the way the system works and should work at all times.

Now, if there are departures from that tradition without the authority of the Minister, then it is to be regretted, and I merely mention the matter here tonight to a body of very responsible and experienced people because I don't want any doubt either in Australia, or importantly for us at this time, outside Australia. Whereas in the United States the Secretary of the Department is also the policy-maker, I don't want anybody to have any misunderstanding as to where we are. We, as the Government, I as the leader of that Government, we are responsible to the people who have the democratic decision as to whether they approve or disapprove of the things we are doing. The Public Service, very properly, is protected against arbitrary Ministerial action or capriciousness, and they are protected because their role as administrators is clearly recognized.

That doesn't mean that men of the calibre of Giles Chippindall or John Jensen haven't in their time been respected and trusted advisers of their respective Ministers, but they have known that the Minister has the responsibility for the decisions which are subsequently taken and that guided their own advice and their own actions accordingly. And they also knew that at the turn of the political wheel, they had to give that same objective advice to whoever succeeded them as the democratic choice.

Now, gentlemen, I don't want to dwell on purely political matters here tonight. A very dear colleague of former times of mine, who I know is a friend of many of you in this room, once describing a critic said of him, "You know, this fellow would put politics into the Lord's Prayer". Well I find that on the eve of an election, anything almost that is said becomes political by whomever it is said close to the political scene. And so if I appear to be political at any point in what I say, do have that reservation in mind: Would I have thought this political if he had said it six months after an election has occurred? I don't wish to be political in any party sense.

But I do wish to say something to you tonight about this marvellous country of ours, its opportunities and its problems. When you consider that we have an Australia approximately the size of the United States of America in area if you leave Alaska out of the picture - I always have to make that reservation, otherwise it spoils the comparison. And even leaving Alaska out puts me out of sorts perhaps with people in that country, so rich in promise but so cold in appearance. Therefore to make the comparison

apt, and I think it is good enough, we talk about what I might loosely term metropolitan United States and Australia. We have approximately the same area of country to hold and administer here in Australia, and we like to think of ourselves as a young country that is not doing too badly. We are pushing on with our growth and our development, but whenever I get a little too complacent on that score, I remind myself that when the United States made its declaration of independence, in 1776, the total population of that country was less than four million people. Just twelve years later our first settlement was established by the landing at Botany Bay. Well, they are now moving up to their two hundred millions of people. They've become the mightiest economic and military power in the world. They've done it by giving expression to the spirit of enterprise, those principles of individual freedom and personal liberty that I believe every man and woman in this room cherishes in this country of ours. They've gone out, they've taken their risks and finally they have come to a point where, having put Europe back on its feet after the ravages of war, they, under a leader who has the courage and the imagination, the vision and the drive to see that if those same principles and that same drive, that same generosity were to be applied to the free countries of Asia, then the whole future of the world could be transformed for the better and that is what he aims to do.

I have come, I think, to know this man very well and the longer I know him the more I find to admire in him and, more, I am touched by his sincerity and the earnestness of his determination to use the tremendous unsurpassed power that rests in his hands for the betterment of the human race and that was manifested through our recent Conference. It must have emerged in his contacts with you all here in Australia, but in Manila we had as successful a Conference as I ever hope to attend with as warm a co-operation amongst the seven heads of government sitting round the table there as I ever expect to experience. Not just as a "Council of War" as opponents and critics tried to present it, but as a meeting of people who wanted security, of course, for free people in Asia as indeed they would want it for free people everywhere, but who wanted also to see a world in which there was a prospect, some hope, some prospect of advancement for the hundreds of millions of people who are living today in conditions which we would regard as under-privileged, under-nourished, under-educated, under-provided for in practically every way that we consider dear and proper for ourselves.

Now we are a very fortunate people, not only in the country we occupy but because of the standard that others who have gone before us, and we in our turn, have been able to achieve. It is quite a remarkable thing that this country, a small country in terms of numbers, should have built up in not very hospitable territory, one of the highest living standards in the world, that we should be able to point to the highest percentage of home-ownership in the world, that among the amenities of life we should rank third in that necessity as it has become - the motor car - that despite the fact that we have to bring capital into this country for our own development we rank amongst the first four or five countries in the world in the aid that we give out to others per capita of our population; these are all things that we can take some modest satisfaction about. We have just come through a year, or two years, of great difficulty for this country, not felt so much here in Victoria, but one of the most severe droughts in Australian history. Our sheep population which normally climbs up by several million a year dropped by 14 millions. In New South Wales they lost 25% of their cattle population and yet we maintained a level of employment and activity which for this country was remarkable, facing

conditions which not so many years ago would have spelled economic disaster for us.

We have built in a lot of insurances around ourselves. We have now the variety, the diversification of industry and enterprise which enables us to meet these shocks as they come along and I am sure most of us who have had a fairly long experience of government were heartened by the way in which Australia took, without scarcely a falter in its stride, this severe handicap of the severe depression in New South Wales and Queensland of the last couple of years. It involved us as a Government in some quite unorthodox and unusual actions in the way of drought relief, in fostering the sugar industry, in providing the finance for those whose stock had been affected to replace the stock, or at least provide the means by which this could be done.

But this, I am glad to say, is not only the modern approach. We have all managed to learn something out of the more tragic experiences of the past.

I came into politics in the 1930's. When I stood for Parliament we had just come from a period which would be scarcely credible to the young people of this generation when thirty out of a hundred trade unionists were registered as unemployed. These things pass quickly from our minds. The Government today would probably be thrown out of office if it allowed $2\frac{1}{2}$ to 3% of unemployment to develop and stay there without being able to take action - effective action - to remedy that position. When I came into politics 8 or 10% of unemployment was regarded as, well, not a bad state of affairs. In 1937 the Trade Unions successfully applied for a prosperity loading on the Basic Wage when the registrations were around 8 or 10%.

But we have learnt something and in the last twenty years full employment hasn't been a visionary goal, it has been a reality almost without exceptional months during that long period of time. Now I know that occasionally those who have to carry on a business, who have to look at their order books, look at the state of profitability of their industry, they feel that things are by no means as good as they ought to be and that there has been an experience of which many of you in this room I know have shared. But when you consider the long haul, that virtually since the end of the war, this country has never had, except for one month in that period, more than 3% of registered unemployment (and that is in one of those months which incorporates the registration of the school leavers who had yet to be placed - it didn't last for longer than a month), we can count ourselves as pretty fortunate people.

Now I said something about savings and that brings me to the point - this is not merely a prosperous country, but that prosperity is spread with justice, with equity, with fair dealing around the community as a whole. I went to the trouble coming here to get the latest figures that I could take out on how the Australian people are currently situated in relation to their savings and I found that there are more than seven million life assurance policies held in this country of eleven and a half million people, that the cover taken out - well it was in 1965 which is the latest figure I have (at the 31st December) and the later figure would be considerably higher - but then it was just 15 billion dollars of cover under those policies. When we come to Australians' capacity to save I say this because there is a disposition in some parts of the world or amongst some people to think of us as a rather thriftless lot but in point of fact

there is only one country recorded in the world that saves a bigger proportion of its gross national product for fixed capital investment and that is Japan. We save 27%, the United States 17%, the United Kingdom in 1965 - 18%. I haven't got the 1966 figures. These are from the United Nations Bulletin of Statistics. But that's a pretty remarkable thing to have in this country. With the ravages which occur from time to time, the drought and floods which eat up savings that people have accumulated against such emergencies, it is remarkable that we should rank next to the industrious, enterprising people of Japan as amongst the great savers of their resources in the world.

So we don't just wait for capital to come flowing in from other parts of the world; 90% of our investment comes from our own resources. We are very glad to have the extra spurt to our development that comes to us from the capital which comes in from overseas and there have been many useful, happy marriages between capital from overseas, from the United Kingdom, from America or some other part of the world and an Australian enterprise. That's the way we like to see it with a good Australian equity participation in the enterprise that is developed here in this country. It is one of the matters on which we have been working as a Government. But we know that if we are to grow we have to bring in people. We bring in people to an extent which in relation to our population is considerable. We'd like to bring more. We've absorbed those people very successfully.

I don't know any country which could claim a more successful absorption of the migrants who have come here than Australia can and this is largely because I believe there is that national characteristic of mateship, that willingness to help the fellow who is battling to find his way in life which is so prominent a feature of our community life, and that has helped to make it a success. When I was Minister I wondered how we would get on with the unions about this business and how we'd get the various crafts to take these people in with them; how the community would absorb them; how generously would they treat them; how warm-hearted would be their acceptance of them. What a tremendous success it has been.

On Saturday I greet here the Prime Minister of Malta and we have in Australia the second largest community of Maltese in the world. It is not a community in the sense that they're packed tight in some pocket and living under themselves but spread around as the Italians have spread, the Greeks and the Dutch and of course the largest influx of all at the present time, I'm happy to say - our kith and kin from the British Isles. And this is how we would want it. But if we are going to bring people we have to find the employment for them and we can't absorb them on the land because although the rural industries have achieved miracles of performance by the way in which they built up their productivity, they are doing it with fewer people than they did probably before the Second World War. So, largely, we have to look to the manufacturing industries and the service industries in order to absorb our growing population. And I think when you see the figures, the next lot of figures out on employment, you will realize how successfully we are absorbing those who come in, the school leavers as their time comes to go into the working community, the industrial and the commercial community. What opportunities persist in this country of ours!

Now we are favoured in two other ways. One by a bountiful providence, which although it has provided us with soil that takes labour

and skill and new techniques to master for complete success, has given us a fabulous treasurehouse of mineral wealth which we are just beginning to discover - perhaps not even fully - but we are discovering in great abundance at this time. Who would have thought in the years when I first came into politics that Australia would turn up the second largest bauxite reserves in the world - or rather the largest single reserve of bauxite in the world.

In the 1950's we had a policy of clamping down on the export of iron ore. Our known reserves didn't amount to more than about 400 million tons and now somebody has turned up successively, one after the other, discoveries, quite remarkable discoveries in Western Australia, and our present reserves are estimated at somewhere between 15,000 and 18,000 million tons of iron ore of rich grade.

In recent weeks, phosphate rock, one of the great deficiencies of this country, has been discovered, I hope in considerable quantities. That has yet to be established or made known. But the nickel discoveries of recent times, the manganese deposits which B.H.P. are working successfully on Groote Eylandt; almost every month, or it seems to those of us leading busy lives, every week, some great new discovery adding to our natural wealth is turned up. Fortunately we have had the enterprise and so far we have been able to marshal the capital either from overseas or amongst our own resources to see that these things are brought to fruition.

But it's not that aspect of Australia that I turn to finally with you. It is what Australia has discovered of itself in relation to its own area of the world that has suddenly become tremendously vital and exciting for us. Again in the early years I spent in politics, governments, ministers and the community as a whole had their gaze directed to the extent that it went outside the Commonwealth of Australia to the British Isles, with perhaps one journey in a lifetime to the Continent of Europe. This was the sort of dream that people who were able to accumulate rather more wealth or savings built up in their minds, to get back to what was then described as "home", to the British Isles and then perhaps a few gay weeks on the Continent. That was about as good as anybody would hope for. To the North of us were countries barely known, certainly not thought of great consequence to us. Those of us who in our schoolboy days kept a stamp album would get the postage stamps and think they were very picturesque. And that was about all that it meant to us. It took Pearl Harbour, the events of the Second World War, to make us realize how close we are to our neighbours in the North. I went up to Vietnam earlier this year. I left Canberra still answering questions up to the end of Question Time at 11.15. That evening I was talking in Singapore to members of the Government there and the following morning I was talking to Australian troops in Saigon. That's how close all of this is to us.

Saigon is closer to Australia than Brisbane is to Perth and when we had a Conference of Commonwealth Prime Ministers in London quite recently I had to remind some of our African colleagues at one stage because they spent the first six days of an eight-day Conference talking about Rhodesia and, admittedly, it is a difficult problem, the situation there. But finally I had to come in when they proposed another adjournment on this matter and say, "Well look, we've been talking for six days on this one matter while we haven't mentioned the affairs of nine-tenths of the rest of human kind". And to bring the point home I had to point out that Saigon was very much closer to Darwin than Salisbury, the capital of Rhodesia, was to Sierra Leone. It was the Prime Minister of that country who made

the longest speech of the Conference. "In fact", I said, "we are a thousand miles closer to Salisbury where we are and it is time we started talking about Vietnam and the problems of this area of the world."

But they are not only problems of danger, and we know at the moment that we are involved in a great struggle there. When I say we are playing a small and relatively modest part, I think we can take pride in the fact that our part there is not seen as small as the numbers might otherwise suggest because the skill and gallantry of our soldiers has made its impression on the United States and all other peoples of the world and certainly upon our allies in South Vietnam. We are all under debt to them, and you made a passing reference, Mr. Perrett, to National Service. Let me say that in Vietnam a National Serviceman is at one in purpose in endurance and in courage with the Regular Servicemen whom he has gone to join.

And while I am on this subject let me just say a word. We were talking about migration, about the decision to call the aliens into National Service. I know there have been complaints and criticisms about this in some countries. Not all! I was very pleased to see what the Prime Minister of Malta had to say on this subject. I thought it was full of good sense and a sense of the fitness of the situation. And that is, we haven't thought to call up any young man of the appropriate age group who doesn't declare himself an "intending permanent resident of this country". And if he has come here with the firm and declared intention of staying here permanently, well we think it appropriate that he should take the same chance with the native-born Australians in the defence of this country. And I say to any who choose to criticise us from these other countries, we have in Australia at this time a community of about 270,000 Italians, 130,000 Greeks, 100,000 Dutch, some of them of course naturalized, but these were their origins. Does it seem unreasonable that some proportion - and it is a small proportion - of their fellow countrymen of the appropriate age group should join in helping to protect them, their families and their possessions? I think it is entirely right and proper.

I said that the thing I was really wanting to draw attention to finally was the Australian situation in this area of the world. We have come to know something of the problems of the area, but also something of the tremendous opportunities that will open up for us. Three-fifths of the world's population live East of Suez and they're tending to increase more rapidly than others to the West of Suez, not merely because they're a prolific people and have normally a high birthrate (partly induced by the fact that in past centuries there has been a very high death rate and a relatively short life expectancy) but because public health measures are improving and medicine and treatment are improving, so that population is growing more rapidly than population West of Suez. And it is in all probability that the population of the area will have doubled by the end of this century.

Now that presents in a sense some dangers for Australia but it also presents tremendous opportunities for us. We are a natural supplier of raw materials and foodstuffs with great scope for expansion in all these directions. Here are the growing markets of Asia as consumers increase and their standards of living increase. And in this context just imagine what it could mean to Australia if President Johnson's dream of a better Asia, better educated, better fed, better clothed, better housed, better serviced by industry, building their own industry, what that can mean to this young relatively under-populated country.

Perhaps that is the thought, Mr. Chairman, that I should leave with you in your minds tonight. We are living in an exciting country, at an exciting phase of its history. We are accepted in a way which would not have seemed credible to us so many years ago. When I came into office, thanks to the great personality and capacity of my predecessor, I was immediately offered by Prime Minister Harold Wilson, and by the President of the United States, President Johnson, to continue the same intimate communications and correspondence that had been built up over the years by Sir Robert Menzies with the leaders of these two great democracies. From the outset I was welcomed as a trusted friend, colleague and confidant and the influence that Australia is able to exert by our own communications, the views to our two great friends in these countries, is of tremendous consequence to us but also makes Australia a very much larger figure in the opinion of the rest of the world. Don't think that we are dragged along at the coat-tails of either of them. We are consulted, we are trusted, the views we put are respected and I have reason to know that on occasion they have been in themselves quite decisive in their interests.

And so we face together a future of great promise, not promise of things which will come to us simply because we wish it so but because of an energetic, friendly people, who find that the means are there if we have the courage and the enterprise to take advantage of them. And it is my fervent hope that I will have a few more years yet as your own political leader in which to play some part in making of this Australia of ours the land that all of us wish it to be.

Thank you for the way in which you have honoured me here tonight.
