

OPENING OF THE PHILIP MORRIS FACTORY
MORRABBIN, VICTORIA

15 March 1968

Speech by the Prime Minister, Mr. John Gorton

Thank you very much, Arthur. I say "Arthur" because it is true we have known each other for very many years, and indeed not closely, or he wouldn't be able to say with such conviction so many nice things, but intermittently and fairly closely during all that period of time.

I am here to make a very brief speech and to declare open the factory and to declare open whatever it is that is behind that curtain. (Laughter). I daresay that you, as I, are going to be quite interested to see what it is - the little bits that I can see look as if somebody round Sydney Harbour may be wondering what's happened to the Opera House. And if so we won't let them know where they are.

It is quite true, Sir, as you said in the course of telling those assembled what it was that I'd said to myself, and in the course of doing that saying a number of things that I was otherwise going to say to them, that we do, as a Government, have a 42 per cent or 42½ per cent interest - or whatever it is, I'll have to ask the Treasurer - in the profits of this company. But, of course, that's not the whole story, Sir, as you know, because we also have an interest in the dividends paid to the individuals and the wages paid to the employees and all these other incidental matters such as excise which helps the wheels of Government to go around. So it is really quite important - quite important to us, quite important to Australia, and we do see here, I think, an example of growth but not only an example of growth, an example of growth made in the way in which we in Australia would wish it to be made. Because here is an example of development as a result of the inflow of overseas capital which we need if we are to develop as quickly as we must. But also an example where an inflow of that overseas capital married itself with Australian capital so that a third of the capital is owned by Australians and the benefits that flow from it go to those equity holders as well.

And this is an ideal situation. Well it might be nicer if it was 50 per cent, but still it's a good situation that here comes the requirements for development, here is an example where Australians can take part in that development, here is an example where jobs flow from it, employment flows from it, dividends flow from it and all the other things of which I have spoken.

And we, I think, can be a little proud or we can be proud of the achievements of others when we realise, as I am told is a fact, that this new extension is the most modern tobacco factory - if that's the word, tobacco packing plant - in the world bar none. Now, this is really something, and I am informed that this is in fact so. I can't tell you how many million cigarettes a month it can make because I'm not allowed to, but it's an enormous number of cigarettes.

When you come to think of it, of course, I suppose the credit for all this really goes back to some completely unknown American Red Indian, because you remember that's where they first discovered tobacco and that's where Raleigh got it from. You may remember somebody threw a pail of water over him when he first started to smoke because they

thought he was on fire when he got back to England and if he had really put Raleigh out with that pail of water, there would not have been a tobacco factory and there wouldn't have been the interest that we've got here.

But can I say this as well. That not only do the things of which I have spoken become evident here financially, and to assist in a secondary industry employment but they stem down the line too, to create, or help to create, help to expand a primary industry in Australia because the tobacco-growing industry benefits too from what is happening here and will benefit, of course, from the five-year extension of the tobacco stabilisation plan which has just been announced and with the additional quotas for Australian tobacco leaf which will be going up to 28½ million pounds.

Now, these things one stands on a platform and talks about but in one's mind, and in your mind, think of the people on the banks, the red shore banks of the Murray, or wherever it may be, in small farms wresting a living from that land and being helped to prosper and to grow by the kind of secondary expansion we see here. The whole of Australia benefits from it.

That I think, Sir, is all that I should say. I do congratulate all concerned with the development of this factory. I know - what was it you had when you started - was it 3.4 million capital - somewhere around 3.4 million capital, of which one-third is American. I'm not quite sure what's happened since but I think there's been a bonus issue and I'm not sure there hasn't been a split and this again points up the benefit of having an Australian equity interest in a factory of that kind. \$11 million today. Well, I do hope that before very long I will be able to, at your request, come and open another extension and you will be able to say \$20 million today because I'll know that that growth is partly a growth for Australians as well as abroad.
