

EXTRACT FROM PRIME MINISTER'S REMARKS
TO THE CHAMBERS OF COMMERCE RECEPTION

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PERTH, W.A.

30 SEPTEMBER 1968

There is just one other point I would make.

There was some discussion the other day as to action which was taken over preventing an insurance company known as the MLC from being taken over by capital from abroad. Some questions were asked as to whether this meant there was a nalteration in the Government's policy about overseas capital inflow. Well, it doesn't.

Our policy for a long time has been predicated on the fact that we need to get as much developmental capital inflow from abroad as it is possible to get if we are to develop as quickly as we should. If there is any doubt about that, then let any West Australian look at what is being done here and see whether it could possibly have been done from capital generated within our own resources. But we do want that capital to be overseas capital so that it is matched by goods so that we don't lose our overseas balance. We don't want it to be debenture capital raised inside Australia to be used by overseas interests, and the overseas interests own what is built. And so we wish to see that large amounts of Australian capital generated here at present under the control of an Australian company don't fall under the control of people outside. We saw no percentage in somebody being able to spend \$40 or \$50 million to gain control of \$750 million of Australian capital. This desire that overseas capital should come from overseas still persists, as does the desire that Australians should be given the chance of equity participation in new developments.

But remember this. It's no good Australians expecting to go along after risks have been taken, after a company has been developed, after some years of input has gone on and dividends are beginning to flow out and say, "Now we want to buy in." Not a bit. They need to be offered the chance to take the risks at the beginning and that is what we seek to see happen.
