Mr. Chairman, Gentlemen,

I have some difficulty in deciding what to address you because I don't know what your practice is here. I am not a capitalist. I don't represent a privileged class in the country I come from. And, in the course of my journey to Australia, I asked the Australian Government, of whom I am a guest, to have the opportunity to meet representatives of the Australian labour movement for two reasons. Because first, I have an interest in the labour movements around the whole of the Australian Pacific region. And second, because I believe that if I can get to know not just the leaders, the political leaders, but also the people who are the sinews or muscles behind the political leaders and, on the labour side, of the trade unions, then I would be that much better off.

Quite simply, I believe if you get to know me and I get to know you better, what you stand for and what I stand for are not all that very different. The chances are I can't lose and I don't think you can either. If you know more about what's happening in Southeast Asia you may be able to protect the interests of Australian workers better than if you do not. If you get to know more about us I am quite sure you will be prepared, knowing what our objectives are, to stand up for what we believe in.
Vaguely, the image of the Australian trade union is one of, vaguely because I am not known in close quarters, is well known for its organisation and militancy, principally the waterside, or your Waterfront Workers Union who have often hit the headlines in Singapore. Which goes to show that if you are militant and you are able to hide your political beliefs behind just militant unionism, you might pass off as a good democratic socialist although you may have other ideas about what you ultimately want to do.

And what I want to get over to the Australian trade unions, the A.C.T.U. in particular, in this simple message that if we can succeed in Southeast Asia, the chances of your being faced with problems which would otherwise confront you is that much less.

You know, the whole business of life, unionism, politics, is to get more what you think is going on in the world. Nobody asked to be born; you find yourselves in the world part of a nation, part of a people. Within the nation, you feel you know, some people are getting more of it than you are. Between nations, you feel that some nations are getting more of it than your own. And that is the way the world has been form the first beginnings of man.
But I would like to be able to assure you that, after my journey through -- this is my first visit to Australia -- this was my passing thought: Unlike America, where they had slave labour such as Negro labour, you built this on your own, on your labour. And I think you are the healthier for it, the better for it, and unlike the people who come here and say robbed this from somebody else.

Being a migrant myself settled for three, now the fourth generation, in Southeast Asia, I understand exactly what you feel and what your fears are. Because I share them, you see. Singapore was a little fishing village, with two little fishing villages, 140 years ago. Today, it is one of the modern cities in Asia. If you got the money then you get anything which the civilised living can give you in Asia. Whatever you like, Sydney oysters, Aberdeen apples, beef flown from Switzerland.

The problem which we feel more acutely than you is this: that if we are unable to give everybody the same sensation that he has got a stake in it, then the whole thing is going to blow up. And when it is blown up for me, it is coming for you and this is the problem.

My hope is that in the course of the next few months you will be able to meet some of my trade union colleagues. I had expected being accompanied by the
Secretary-General of our TUC and he had got so involved in certain problems; he couldn't come. Mr. Konkton, the President of the ACTU has asked me to convey an invitation to him to come out with a delegation. And I hope that more of you will come to Southeast Asia and see for yourselves.

I mean, don't wait until it becomes like Saigon before you go and have a look because then it is too late. Nothing can be done. It's no use forming a trade union of all the pickpockets in Saigon. It is just a waste of time. The position is lost. And you got to hold it by the gun.

But it is not lost in the other parts of Southeast Asia. And, if the people who want to do the things which you are doing in this country: giving the workers a stake in what is begin produced. If we are allowed a chance to operate and so give them a stake and the chances are it will succeed.

You see, I happened to believe that Australia, like other Western democratic countries, is not represented by its government alone. I don't represent the whole of Singapore; I only represent a part of it; I don't want to bluff you. The people would disagree violently with me, first the Communists. They don't agree with anything I am doing just because I don't agree with Communism.
Secondly, I have got the capitalists also, a small segment of them who still believe that they can come back and be in charge. And, they don't agree with me either. But I happened to have been successful in getting the majority to agree with me.

Similarly, I envisage a day, when from time to time the Australian people will express itself in different ways. But whichever way, whichever Government is in charge in Australia, your problems in Southeast Asia are the same, namely, whether you can recreate in these societies some of the worthwhile values which make people stand up and fight for what they have got. If you can't then that's what made South Vietnam fail. The South Vietnamese worker decided that he got no stake in this. I mean, you can get a Vietnam general to go and fight; he's got ten million dollars stashed away, and if anything happens he has got a helicopter and an aircraft and he is off. But the Vietnamese worker has decided he has got nothing in this and he ain't fighting. That is the trouble.

So, I hope you, as a result of this few minutes we have together, next time when you read a newspaper read it with a little bit more interest because it concerns you. You see, if we get into a position like the South Vietnamese, then one by one we all go that way then it won't be long before it is your turn. and I hope it never comes to that because I hope it never happens to me. Thank you.
CHAIRMAN INVITES QUESTIONS FROM THE TU MEMBERS PRESENT:

Question: (cannot make out because of the terrible echo)

Mr. Lee: Well, I think the special role which Australia could play is our industrial development. You know, I mean, what you can do, the Americans can always do better because they are bigger, they are richer, they are more powerful. Similarly, with the British. But you've got one special policy: First, you have only just yourselves become industrial. I mean, 30 years ago, what I read of my geography books, you were rearing sheep and all that the wool can be cut and sent to Britain where it is manufactured into wool clothing and sent back to you. And you've just emerged and just building your motor cars and your nylon or rayon factories and your woollen garment factories and all that electrical equipment and so on. I know, reading from the newspapers, that you are extremely anxious about getting more capital into this country. So for me to tell you to export your capital, well I mean, it is like telling a chap who is wanting (coals from Newcastle to go and sell coals to Newcastle). Well, it is no use; they are not interested in exporting capital, but what I am saying is this: we've got capital. And our capital accumulation rates over the last six years; it's somewhere in the region of 17 to 18% per annum. What's more, the Indonesians decided to
boycott and refuse to trade with us. So we get a lot of commercial capital lying idle. What our merchants haven't got is the technical knowledge of how to set about building a factory producing tiles. And the returns and the awards are very high.

To give you an example, recently somebody got in touch with an Australian manufacturer and he set up a grain (silo) or wheat silo you know, wheat from Australia, the ship docks in, and poured in and flour comes out the other end. And within one year you got 80% of these investment back. But I think Australians can do that.

But I shouldn't be telling you this because you are not involved in this. Your managerial class is interested in this. I have been telling them this is Sydney. But, of course, they won't do anything until they are quite sure that the Australian Government is committed to make sure that Malaysia doesn't go under. If the Australian Government is going to pull out, well, it is rather silly for them to go and put their chaps there entrusted with the money.

But I think purely from the trade union point of view, you could do a great deal in formulating opinion here which in turn will affect your Government policy as to what is right, what is proper, what you are backing.
You know, the danger of all this approach is that if you don't watch out you find yourself classified as the Americans. You know, imperialist exploiters and militarist who go in there and make use of reactionary stooges, villains and so on, to perpetuate their interests which is the failure of American policy in South Vietnam.

If you understand what's going on there -- I'll give you an example of where, I think, the union, active trade union interests in Australia would help. I've just got the newspaper here this morning from home. A warning has been issued to the trade unions in Malaya which is the biggest part of Malaysia. What is the warning? The government warns them that if they take any industrial action, any go-slow, they are being disloyal; this is high treason; they will be dealt with. Why are they doing this? Because the postal workers went to arbitration against the Government. The award was made against the Government, giving them an increase of about two to three million dollars extra per year. The Finance Minister threw it out of the window and said, "No, this will cost a hundred million per year if spread throughout the government." They went to arbitration; they got an award; they've got the award thrown out. Then they staged a go-slow in protest. And they are shown the mail fist and told "If you go on you are committing high treason."
Well, if you do that to your trade union workers, in a democratic, organised trade union, don't you think they are going to take some more militant action than just going slow. After a while, they will sabotage your machinery, finally take guns and pump you off when they see you on the street corner.

This is the problem. I am not suggesting for one moment that your government should interfere with Malaysian affairs. But I am saying, Australian trade union leaders take an interest in all this and you've got a stake in democratic trade unionism in Southeast Asia then all these follies will not be committed with impunity. I mean, if they do this, as they do this, there is a resolution passed in Melbourne denouncing all this and asking the government to reconsider its position, I think the Central Government of Malaysia would think twice before they start brandishing the mail fist. Brandishing the mail fist doesn't help the democratic trade unions. It is only helping the Communists, because that is their line. You see, "No use going to arbitration, it is a waste of time, no use negotiating. What do you want to do is to break the economy, break the bank, break the State, take over." And I say, this is the contribution the Australian trade unions can make to Malaysia. That's why I asked to meet you.
Prime Minister: All this moment? I'll say one satisfaction is that somebody has found it sufficiently in his interest to make a stand that our integrity should not be whittled down just because you have got a bigger neighbour. I think we fear that it might have been easier for the Australians to opt out and leave it all to the British and pretend it has got nothing to do with Australia. You know, after all, it is their force, their army, air force and navy, which is bearing the brunt of all this. But to have the Australians come in, openly identify themselves with this, gives us reassurance that we will not be isolated just with the British. I mean, Australia has no economic vested interest in Malaysia like the British has, and therefore this helps to dispel the insidious propaganda that Britain is viewing all this because she is out to invest in rubber, tin and other enterprises. I mean, the Australians haven't got the same excuse, and therefore the aid is for less direct economic and selfish reasons. I mean, I am not saying it is all altruism and charity. But nevertheless, so far as the other Afro-Asian countries are concerned this is one demonstration that a small country of 11 million people is prepared to take a stand on principle in its own long-term interest and at the risk of antagonising a bigger neighbour.
So my conclusion would be "Well, thank God, we have some people making a stand with us." If everybody just passes a resolution giving us good wishes and nobody comes around and puts a soldier in beside us, all these good wishes won't see us through.

Question: Are there any restrictions on activities of trade union leaders ......

Prime Minister: I didn't quite understand the question. Restriction in respect of trade union matters or in respect of political matters?

Question: Trade Union?

Prime Minister: No, there are no restrictions. But this gives rise to a great deal of problems because, as you know, I mean, the Communist fanatics are dedicated and work harder than anybody else. So the problem is of capture by a few Communist Party members of large numbers of men organised into one union, and it's very real. And from time to time we have enormous difficulty in this logic because just as here and just as in Britain you get a few chaps to sweep in the union premises; they do their brushing there, they show everybody how hard working they are. And they do all the secretarial work, and
distribute all the pamphlets. Then they fix all the committees on their side. In next to no time they are in charge. This is our problem. We've got to face that. And I'll be frank and tell you that even today 40% of our industrial workers are in Communist unions, or communist-led unions. And five years ago, we had about 65% of them. The industrial workers, not the white collar workers but the industrial workers. They had 65%. And slowly, over the years we got them beaten down to about 40%.

Question: Mr. Chairman, I would like to question your dealing with trade unionism. I understand that Singapore and your island ... organised with trade union point of view and I have no knowledge of any trade union organisation of any consequence in Borneo and Sarawak.

Prime Minister: Well, I think it is true that the development of unionism, trade unionism, has been uneven. It has been most advanced in Singapore because it is fairly urbanised, fairly organised, comparatively speaking. And it is not so advanced throughout Malaya because a large part of Malaya is countryside and rural areas. And very little in Sabah and Sarawak, the Borneo territories. And the first problem that faces the trade union movement is how do they get this development more even spread out and how do they integrate and become a Malaysian trade union movement and become more effective. Well, it
is a very complicated matter because if any Singapore trade unionist goes round trying to help organise unions in Sabah and Sarawak I am going to get the Central Government very excited about all this because they want the poor things to be left alone. You know, "It is better that workers are understanding the need to get jobs, and that he who hires buys, and none of this nonsense about first-in-last-out, all these troubles." So the spread of unionism into Sabah and Sarawak is not one which will come about rapidly until they themselves throw out their leaders. And if any union from Singapore or unionist from Singapore, even from Kuala Lumpur for that matter, tries to help the pace of development, I think he will be frowned upon by the authorities. The danger of course, is that the Communists will be first to emerge, as indeed they have in Sarawak. I mean, the Communist unions there, the first incipient unions, are in. I mean, quite a number of their leaders have been arrested for being involved in activities with the Indonesians.

And there is the other problem of gearing the whole of the trade union problem in Malaya and Singapore into one. Up to today they can't agree. This is not a matter for me. I have been watching this and hoping that this will come about. But there are sectional interests and there is even one bigger difference: In Singapore, we have been accustomed to the open debate and the open competition. You know, you are a Communist, you can organise, and you think
you are clever and going to fix all of us. Well, we'll compete with you. They
used to have -- I said 65% of the industrial workers on their side -- and they
used to call strikes not for the purpose of raising wages but you know, to
demonstrate their political strength, and for political purposes. And on three
occasions, we were able to show the workers they are being made use of and
becoming pawns in a Communist game. Three times they went on strike in three
different factories. Each time we offered them arbitration which we could have
compelled following legislation if we wanted. Which we refused, knowing that
the company was on the brink. If you will push it further they will close. They
went further: the company closed; 1,500 workers lost their jobs. And we never
gave them a chance to forget that this was because they insisted on doing these
things.

In Malaya, it is completely different. You know, there they had a shooting war
for many years and they move with a fairly heavy hand. So Communists are not
allowed in open competition. They just get smacked out of existence. As a
result, you don't produce the same kind of rugged trade unionists as you have
produced in Singapore. And in Singapore they are there because they are able to
compete and you have got to stand up and take the knocks. You know, you've
been in the ring with a chap who can give a couple of blue eyes and you soon
learn how to wade in and you have him one back or you are out.
But in Malaya, they smacked out all the chaps who could give anybody blue eyes. So they have a more genteel group of chaps who are not very keen on competition with our chaps in Singapore because they say, "Well, these are ruffians, you know, toughies from Singapore; we have them running around. They will be in charge." So there is a lot of these sectional jealousies, and they will persist for some time. And I think the best thing that can happen is to leave them alone and they will face the kind of troubles that I have told you. You know, they go to arbitration. They got an award. The government tells them to go to hell. They go slow. They get the mail fist shaken at them. After a while, they got to be tough enough to survive. Otherwise they go to the Communists again. So in this way I hope eventually there will be a new pattern emerging in which the Malayan, and the Singapore and the Sabah and Sarawak trade unions will find a common level.

Question: (Not Clear)

Prime Minister: None, whatsoever. This is one of our biggest grievances against the Federal Government. I mean, they have organised their parties on a race basis, and they are trying to introduce it into our unions now and getting chaps to spread this kind of line, good of the past and acquire something better than that they had. But, nevertheless, we face the problem. I will tell you one
problem. The Chinaman who came out to Southeast Asia was a very hard working, thrifty person. I mean he faced a tremendous stride because he faced floods, pestilence, famine and the drive. The capacity for hard work and sustained effort is something to be seen, to be believed. And we are getting soft. You know, I mean, all sunshine and bananas growing on trees and coconuts falling down by themselves -- this affects the people. I don't know. To a certain extent, you can try and counter it. You know, make sure that you don't being, sort of, get reduced to keep it going and create a stagnant sort of society. You know, the Americans possess their tropical areas too and chaps sitting down by the lagoons and so on.

Well, up to a point we can strive to lessen the burden. You know, in a way it is inevitable; it has to happen differently. And it is not altogether bad because at the same time you produce a slightly different pattern of cultural life, and perhaps you've got, we have got, less gastric ulcers. That is the consequences, I don't know. This is a problem all migrants face. You are a part of one culture, one civilization and culture. But this is a different climate. You meet different situations. Eventually the result is something different, just as the Americans are different from the British.
So if you ask me about Australia, I say, well, all I've seen is the four cities. I am seeing the fifth one, Perth, tomorrow. And I think you are a lucky people as the book goes. You are a lucky country. You have built this up out of nothing. I hope you will continue to prosper and progress and I hope that you will ensure that by making sure that we prosper and progress. Because if we don't, then some of the troubles will spill over to you.

Chairman:  Mr. Lee would like to meet the officials of the trade unions individually but on behalf of the trade union movement, Mr. Lee, I ask you to take back to Singapore fraternal greetings from the ACTU of South Australia and we appreciate your address here today. Quite right and quite frank, and some of the questions .... Thank you very much.

Prime Minister:  I didn't know you have some pressmen here. If they ask they can come and see me and clear some of these points because I should hate to have any misunderstanding as a result of ... I am speaking frankly as a socialist to fellow socialists. I am not speaking here as, you know, Prime Minister of Singapore talking to trade unions here trying to get the trade unions on my side against the Central Government and so on. I am just speaking as socialist to another. And I think the reporting outside should be as suitably discreet.
Question: Mr. Lee, the problems in Southeast Asia were partly due to ..... 

Prime Minister: So far as Australians are concerned you can only strive in so far as you can to set in your own best interests. To be as friendly with the Indonesians as is compatible with your own abiding national interest of security. As a Malaysian, I would like to see you, all the powers, openly committed on our side. But if I were an Australian I would do a great number of the things your government is doing. I would want to stop aggression because if aggression begins to pay each time, then one day must be Australia's turn. If not East New Guinea, something worse and closer home. But at the same time, that principle having been ...... and having committed Australia to that basic and fundamental tenet of your foreign affairs, I think you will try as long as you can to be friends. If not with the regime, at least with the people of Indonesia. For, regimes can come and go.

Question: Outline the strikes in Malaysia ...

Prime Minister: Well, I often get that question put to me by my Communist United Front opposition.
Question: In answering, Mr. Lee, say how will it be some 10 or 15 years before results would be learnt ...

Prime Minister: Well, how does not being involved help you in the long run? Let us suppose that you decide to be friends with Indonesia and not annoy them, go along with them. And you withdrew your troops and withdrew all your aircraft. And then what happens? Then the British are isolated. Then it becomes more easy for the Indonesians to present this as a British imperialist conspiracy to maintain their military bases and their economic stranglehold on the region. Then the British lose out and are isolated, and the Malaysians collapse because they can't survive by themselves without help from outside to stand up against a neighbour who has ten times more population and 40 times more troops. And how does that help Australia? Let's say Malaysia has collapsed as a result of Indonesian pressure. Don't you think the Indonesians will be in a fairly exuberant state of mind?

Question: Supposing Malaysia has not fallen, would Australia be better or worse off, if she has not?

Prime Minister: Well, it is another matter. I think even the British are probably, in some unhappy moments, nostalgic of the good old days when
Borneo, you know, Brunei and Sarawak, were peaceful colonies. At least it wasn't costing them much money. They were getting something out of it from the timber and the pepper and a bit of a rubber. And now they are losing a lot of money. So you see, if we start harking back before Malaysia was formed, we all become overwhelmed with nostalgia for the good old days. How does that help us solve our present problems. I mean, Malaysia is there. The Indonesians have decided -- both the Army, the Communists and the President -- have decided to put the squeeze on it. If we succeed, then the squeeze will be put on others around Indonesia.

Question: Another report has just come through from Djakarta. It quotes Mr. Harsono, a Foreign Ministry spokesman as saying that Australia did not scare Indonesia by sending troops to Borneo. "Even if all the 11 million Australian people are sent to Borneo", he said, "This will not scare Indonesia. We are determined to crush the colonialist project Malaysia."

Prime Minister: .... You were not here 200 years ago, nor were my forefathers to Singapore. The question therefore which arises is, will your descendants be here 200 years from now and will my descendants 200 years from now be in Singapore? The political geography of the world has altered so much in the last 30, 40 years, that he is a very great man indeed who will stand
up and say what the colouring of the map of Asia, the Pacific region and of Africa, Brazil, will be at the end of this century. Partly as a result of the inability of some of these new nations and some of the old ones who have re-emerged to be able to discern and to identify what are their common interest. And if you look at Southeast Asia you will be astounded at the futile and irrelevant conflicts, not in their own interests -- conflicts which are exploited by those who know what they want -- I start off with Malaysia. You know, the most curious thing about it is that both the Indonesians and the Chinese, to the south of us and to the north of us, are determined that this should be destroyed. And for very diverse reasons. But the people find it hard to understand why what the Chinese Government are helping Indonesia destroy Malaysia. You see, the Indonesian line is Malaysia is a menace to Southeast Asia because Malaysia will eventually be dominated by the Chinese, since the Chinese constitute the largest single component part of Malaysia, 42%. The Malays are 39%, the other are 19%: Dayaks, Dusuns, Muruts, Kadazans, Indians, Pakistanis, Ceylonese, Eurasians. But if the Indonesian line is right, that left to itself Malaysia must become Chinese, then it doesn't make sense, does it, for the Chinese to go and help them destroy Malaysia? So obviously one side is wrong.
Question: After his prepared speech, Mr. Lee invited questions from Adelaide students. One student pointed out that Malaya and some of the other smaller states in Malaysia have made considerable gains through the federation. But what, he asked Mr. Lee has Singapore gained?

Prime Minister: Well, I often get that question put to me by my Communist United Front opposition. They can list other and more painful woes, like bombs being exploded in bank building, innocent workers being killed, innocent workers losing their jobs with the result of confrontation and of closing down of 20% of our entrepot trade, were as a result of the stupidity follies of our Federal Government who insist on robbing us of our textile quota when we fought to get it from the British. And, so, we can go on. Well, I don't think it is an answer which, whether we were right or wrong in going into Malaysia, it is not an answer which will be apparent in one or two or even three years. It is something which has to take 5, 10, 15 years before the reasons why we went into Malaysia will be put to the test.