PRESS STATEMENT:
Washington, May 17th, 1964

MALCOLM FRASER'S FIRST REPORT FROM THE UNITED STATES

FIRST IMPRESSIONS:

First impressions of a country are often very important for they remain with a visitor as a vivid memory. It might have been expected that a first visit to the United States would leave as a first impression some sense of size, of wealth or of power, because these things are obviously true of this country. However, in my case this was not so. The first impression I received and one that is extraordinarily strong is one of a very great hospitality and of a very real politeness from everyone whom we have met. This is not just from people who might be involved in organizing my program and visit to this country, it is something that I have noticed from every person, whether it is someone serving behind a counter in a shop, or a taxi driver, or people in the hotel or anywhere else. These are, of course, characteristics of Americans abroad, but it is noteworthy that they are not practised purely in foreign countries but are characteristics that come naturally to the people of the United States. This is, of course, one of the reasons why I believe Australians and Americans when they meet get on very well together for both our countries show a generosity and a hospitality to visitors which is not always matched in other places.

ARRANGEMENT OF PROGRAM:

The first few days in Washington have been busy organizing a program and then arranging appointments with people in the various Departments of State. In this coming week I will have several appointments with the State Department, which is the United States name for what we call our Department of External Affairs. I will be speaking not only with leaders in this Department, but in particular with people who are most intimately concerned with South-East Asian affairs. However, I have already had an opportunity to meet people from the Department of Agriculture and Secretary Freeman, the head of that Department, impressed me very much as a young, vigorous and able administrator in an extremely difficult situation.

UNITED STATES AGRICULTURE AND AUSTRALIA:

In recent years the mechanization of United States farming has led to an enormous expansion of output. This has brought problems, not only for the United States, for world trading conditions in some primary commodities. For example, if the United States tried to sell its surplus stored primary commodities on the world markets world prices for many goods would be drastically affected to the detriment of countries like Australia. The United States has done a great deal to try and avoid this sort of situation, where food has been given away it has been given away to those countries which would not have been able to afford to buy it on commercial terms. But they also buy enormous quantities of their own agricultural products to give away to needy people in America, to provide free lunches for school children and for this sort of thing. Despite the vast problems created by the surplus of any commodities it has been estimated that the United States or their Department is still sitting on something like 25% of the United States agricultural capacity. In other words, this is the estimated possible expansion in production that could take place. If it had occurred the problems that are now present would, of course, be increased many times.
The one American primary industry that does not seem to have shared the general prosperity and general expansion that has taken place is the American wool industry. I have not yet been able to understand or to find out the causes for this but it may be something that is not well understood in America itself. However, despite policies that have been designed to encourage the wool industry expansion has not increased and members of the industry have not prospered to any great extent.

I have had some preliminary discussions about the problems of meat, about the problems of the surplus of high quality meat that is produced in the United States and about the meat trade between Australia and the United States. In the next week or two I am hoping to meet some members of Congress from the Republican Party who have been in the forefront of efforts to oppose or to reduce the imports of meat from Australia. Despite the meat agreement that we have signed with the United States Administration Australia is fortunate that in this year other profitable markets have become available in the United Kingdom, in Italy, in Greece and perhaps in France. This has meant that in this year we will be exporting to the United States a total of about 170,000 or perhaps about 180,000 tons. This is very considerably under our entitlement of 242,000 tons under the Agreement that was recently signed. It is still much less than the amount of meat that was sent to the United States last year, which totalled nearly 260,000 tons. This reduction should strengthen the hand of those who argue in favour of the Agreement that was signed between Australia and the United States. There had been some fear expressed by American cattlemen that there was an unlimited capacity to go on expanding, to go on increasing exports of meat from Australia to the United States.

While total Australian production of beef and mutton will continue to expand over a very long period I think there may have been some exaggeration in the United States of the rate and extent of any possible expansion in Australia. This question of trade in meat between Australia and the United States is a most important one for Australia, especially so since the balance of trade between the two countries is quite heavily in favour of the United States. From what I have learned so far I am sure this is recognised in America, and I will be looking forward in the next few days to meeting some of those people from the cattle growing and fattening areas of this country who have expressed grave concern about the agreement.