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1969 FEDERAL ELECTION

TELEVISION INTERVIEW GIVEN BY THE PRIME
MINISTER, MR. JOHN GORTON, FOR
"KEVIN SANDERS REPORTS"

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Q. Mr. Prime Minister, judging from the tempo and the pace of the campaign to date, it would seem that the Government expects this to be a tougher fight than the 1966 election. Do you expect it to be a tougher fight?

PM. I don't think the tempo and pace of the campaign are any harder and tougher than the 1966 campaign was, so since the tempo is approximately the same, let us hope, as I hope, that the results will be the same.

Q. There has been already some fairly sharp verbal exchanges between yourself and the Leader of the Opposition.

PM. Yes, I gather that is thought to be the case, although when I used the word "meretricious", I was seeking to describe the speech rather than the man.

Q. Well, isn't it true that the Labor Party has emerged from its last Federal Conference with at least an appearance of greater unity, led by a new Leader with a new image, articulating new policies? Doesn't this represent a greater challenge to the Government than say the 1966 Labor Party?

PM. I am glad you used the words "appearance of unity", because, of course, there is not even appearance of unity as far as I can tell on the significant matters of defence and foreign affairs. There is an appearance of unity in other fields, although that appearance is getting a little dented at the moment with the AWU in New South Wales falling under Left Wing control and making people wonder whether the New South Wales outside body which dictates to the Labor Party might not become as powerful as the Victorian Executive.

Q. But rightly or wrongly, don't you think more voters feel more confident about the Labor Party now than they did in 1966?

PM. I will tell you on October 26!

Q. Well, on one issue on which you and the Labor Party are very distinctly divided - on Vietnam - isn't it the case that the Labor Party's policy which is "out of Vietnam by the middle of next year" now reflects the public feeling in Australia as reflected by Public Opinion Polls, whereas your policy to remain there is in opposition to what most people in Australia feel?

PM. On Public Opinion Polls and on the feelings that most Australians would have, I would agree that most Australians would like to have the Vietnam war finished. But I don't think that they would like us to betray our allies and in fact surrender and not seek to ensure that a proper and just peace was negotiated and that the South Vietnamese people had a right of choice. Now there is a difference between wishing that a proper peace could be achieved and wishing that thereby Australians would not have to fight - there is a difference between that and between saying, "Well, whether a peace is achieved or not, whether our allies are still engaged or not, whether our objectives have been attained or not, we are going to just unilaterally withdraw our forces". There is a difference, I think.

Q. Well, on the subject of Vietnam, while the Labor Party's policy is quite explicit in regard to the middle of next year, the Government's policy, it seems, is not quite as explicit. I wonder if I could ask you is there some sort of time scale, however broad, for an Australian withdrawal?

PM. No, there isn't. We would like.....there isn't with a qualification which I will put in later. We believe that the objectives of the South Vietnamese and of the United States and of Australia - because we think it is of interest to Australia - should be attained and we think that that objective is there should be negotiations which lead to the people of South Vietnam having a chance to choose their government free of terrorism and free of attack. This is what we would like to see happen. Now if there should be a withdrawal of.....a continuing plan for withdrawal of United States troops - and I don't believe there is, but if there should be - then we would certainly require to be phased in to that withdrawal and not stay there until the finish.

Q. You couldn't suggest any point at any American withdrawal where Australia would withdraw?

PM. Not at this stage, no. Not at this stage. But we would expect to be phased in with a withdrawal and not to be left there amongst the last.

Q. On another issue on which the Government and the Opposition are very sharply divided, is this very complex question of rival health schemes. Now it could be, I think, conceded that the Labor Party has come forward with, if not a winner, at least a much better framed policy than it has had in the past and it has put it forward fairly explicitly, very clearly and it could be attractive. Now I know the big problem, of course, is costing. Without going into too many details about the costing, what is it about the Government's health policy which you would suggest would make it more attractive than the Labor policy?

PM. Well, in the first place, I believe that it will be cheaper. The Labor Party's requirements are for a $1\frac{1}{4}$ per cent levy, not on tax paid, but a $1\frac{1}{4}$ per cent levy on a person's taxable income. This is the base from which they start - with a limit of \$100. Now, this is going to cost any single person who is earning more than \$40 a week, it is going to cost them more than they are at present paying. And it is going to cost married people earning \$63 a week more than they are at present paying, so it is going to be more costly for the contributor. Secondly, you say it is very explicit. I am not sure that it is. It covers people to public ward standards. People might well have a preference to be able to cover themselves to intermediate standards or private ward standards if they are prepared to pay a little more. As I read the alleged health plan of the Opposition, it is intended to pay 85 per cent of doctors' fees. We are seeking to reach a stage, and we will, where the most that anybody would have to pay for doctors' fees would be \$5. And in the case of a costly operation or something of that kind, this would mean that the patient would have to pay only one or two per cent of his fees. And, of course, the contributor would have the right of choice under our scheme. He wouldn't have to depend on a Government Department. He would be able to choose the Fund to which he wishes to go and from which he thinks he will get best service.

Q. But if the Labor Party scheme is going to cost more, isn't it also offering more overall, to more people?

PM. I don't believe it is. I can't see how it is offering more overall. It is offering 85 per cent of doctors' fees to be paid and accommodation in hospitals up to public ward standard. Now it is going to cost the contributor more to get that than it is costing him now, or will cost him to get what we are providing, and he will be made to pay, and he will be made to pay to a Government Department.

Q. Another linked issue which is also a subject of division between the Government and the Opposition is Labor's proposal for a national insurance scheme. Now isn't it true that this scheme was originally proposed by Sir Robert Menzies, very vigorously?

PM. Yes it is. How long ago.....? Twenty-three... twenty-four years ago, since when very close studies have shown that it is virtually unworkable and not in the interests of the ordinary person. It is very interesting that the Labor Party are proposing this scheme of national insurance, but not putting any proposals before the people at all as to what it would cost them. There has only been one costing of this that I know of, and it was done by a professor, and originally the Labor scheme was said to be based on that. That would require \$1300 million a year in contributions, a 6 per cent levy on payroll tax and an increase of a number of dollars a week on people earning incomes of up to \$90 a week. Of course, a self-employed man would have to pay both. Now it is interesting that this has been dropped at least for the purposes of argument during this election.

Q. Isn't it true that despite the complex problems of costing which understandably could go over the heads of many voters, perhaps it is only an economist who could really grasp these very complicated issues, that the proposal for a national insurance scheme could be very attractive to many voters?

PM. It could be attractive to a number of voters but would it be attractive to people who are at present in superannuation schemes and taking care of their future needs, particularly since we have brought in a tapered means test which allows such people to get pensions until they are receiving \$80 a week? Would it be attractive to a self-employed man who would have this money taken from him instead of being allowed to invest it in insurance, if he wished to or some other means of caring for himself? Would it be really of such attraction to a worker to have to pay \$3 or \$4 a week more, in effect, in tax, taken from him compulsorily. I doubt if it would. And because I think it wouldn't, I think that is why the Labor Party aren't costing it for the Australian public.

Q. Your continuing criticism of most of the Labor proposals in this election has been the rhetorical question: All right, where does the money come from? Couldn't Mr. Whitlam reply equally rhetorically: The money would come from the same place as the money to finance the, in many cases, quite expensive promises that you have offered in your campaign speech?

PM. No, I don't think the promises that we have offered in our campaign speech come within cooe of the promises that Mr. Whitlam has made in his campaign speech. Nor do I think you could justify the suggestion that they did. Would you care to try?

Q. Well, it is going to cost the Australian Government more than had been budgeted for in the last Budget to implement the schemes that you have promoted in the Policy Speech, isn't it, Sir? Taxation.....

- PM. In the next Budgets, yes.
- Q. \$200 million, for example, in tax relief.....
- PM. \$200 million at the end of three years in tax relief; \$16 million from the Commonwealth on our health proposals as regards to doctors; \$100 million over six or seven years for atomic plant.....
- Q. These are substantial amounts, aren't they?
- PM. But nothing like the \$800-odd million a year which the Labor proposals which can be costed propose.....
- Q. They challenge this costing, of course.
- PM. Well, they can challenge it, but I can sustain that, and that costing leaves out of account their proposals for a national insurance scheme for which they give no cost at all but which the professor suggested would be \$1300 million a year. There is no costing for an unspecified grant for education.
- There is no costing for an unspecified amount provided to buy land around cities. I am just talking of the things that have actually been specifically said and can be specifically costed.
- Q. If we can move out of this complicated field of costing and economics, Sir, and on to a probably equally complex subject of foreign affairs. Now in your policy statement you seemed to ignore completely the tone and emphasis in the now famous August 14 statement by External Affairs Minister, Mr. Freeth, and shift back to a hard anti-communist line in regard to a Soviet presence in the Indian Ocean. Do you concede that this can be interpreted as a back-down under DLP threat?
- PM. Yes, I think it could be interpreted that way but it isn't that way, and I think the only reason it could be interpreted that way was because Mr. Freeth's original statement was misinterpreted. He never, for one moment, suggested that we might have a military alliance with Russia, or that we would like to see Russian bases in our North, or that we would like to see a Russian military alliance with the countries in our North. Never for one second did he suggest it, and therefore whatever interpretation may be placed upon what I have said, I think it is due to a misinterpretation of what Mr. Freeth said.
- Q. Would you concede that in your policy statement, however, you did ignore the subtle and sophisticated diplomatic tone of Mr. Freeth's earlier statement?

PM. Well, I don't know whether it was a subtle and sophisticated diplomatic tone. It seemed to me to be a statement which was taken out of context and completely blown up and completely misinterpreted.

Q. We will come to the Liberal Party itself now, Sir. There have in the twenty months or so that you have been in office been some strains in Cabinet, between the back bench and Cabinet and between yourself and other members of the Party, inside Parliament and outside. Do you think these strains and problems are likely to damage the vote for the Government in the coming election?

PM. I wouldn't think so and I can't recall strains in Cabinet. I can only recall newspaper people reporting that there were strains in Cabinet, alleged strains between Mr. Hasluck and myself, which never existed, or between Mr. Fairhall and myself which never existed. But there have been new proposals put forward, new thoughts suggested, suggestions of examining what previously were taken as dogmas and this has, in the Branches of the Liberal Party which is examining these things, caused what I think is a very satisfactory dialogue, a very useful dialogue of examination of the pros and cons of something which previously were taken to be sacred cows. I think this is good rather than bad.

Q. Has this also caused some tension, though?

PM. I don't know that it has caused tension. It has caused dialogue and discussion, and in some extreme cases, perhaps, it might have caused some tension but that would be from the ultra-conservative.

Q. You referred to some of the reports, and there have been widespread reports of conflict in Cabinet, and you have denied these reports, but the fact that there has been such widespread reporting of conflict within the Liberal Party, could this reporting in itself have created an impression in the public mind that there is disunity in the Liberal Party which could react against.....

PM. It might have because people don't know. They only read what they read in the papers and they assume it is true, but so it might have had that effect but if it did, then it is an unjustified effect.

Q. Now, in your campaign speech, you seem conspicuously to avoid reference to what in the Liberal Party is also the subject of some disagreement, particularly between the Premiers and yourself, and that is the thorny question of Commonwealth/State finances. Why did you deliberately sidestep this issue in your campaign speech?

PM. I don't know that I sidestepped it as much as my opponent did. I did point out, if you remember, in the policy speech that all the promises made by the Labor Party, running into these hundreds of millions made no provision whatsoever for such things as defence, for such things as development and, specifically, for such things as the increasing requirements of the States. And those other promises didn't, so I did mention the need to think of the increasing requirements of the States. Now the present arrangement between the Commonwealth and the States on reimbursement grants is running out and we will be meeting in February as the Prime Minister and the Premiers - we will be meeting in February to negotiate a new agreement, a new arrangement for a period of time ahead. That will be coming up and the work will be being done on that quite soon. And in other areas, the Liberal Party itself is examining the workings of the Constitution, and the power divisions under the Constitution and both these things are in train. I don't know how that would enable one to come into a policy speech on these matters, but at least I did point out in my speech that the States would have increasing needs, which needed to be taken into consideration and I might remind you that our opponents didn't.

Q. Allow me to ask you to make a prediction about the result of the coming election - can I ask you how do you react to the again widespread reports - I don't argue that they are more than that - but the widespread reports that the Government is going to lose between six and ten seats in the coming election? Has this affected Party morale, or your morale?

PM. It hasn't affected mine and it hasn't affected the morale of the people in the seats concerned. We have had a number of seats which have been damaged as a result of redistribution - in Western Australia, in Queensland, in Tasmania, in Victoria - a number of seats which have been made harder to win as a result of redistribution, but I hope and expect that we shall win them.

Q. Do you think that the redistribution has worked against the Government or against Labor?

PM. Not overall. I would think it was fairly even overall, perhaps with a shade of disadvantage to the Government. But overall is one thing. Picking a number of seats is another, and there were at least six seats quite severely - of ours - quite severely damaged by redistribution.

Q. If you were to lose several seats overall in the election, would you blame redistribution?

PM. Oh, it would depend on the general level of the vote overall. If, for example, we dropped very much on the vote that we had in 1966, one would say well, this is not entirely due to redistribution. It is also due to a lowering in the general vote. I couldn't answer that question until we had all the figures in.

Q. Well, if you dropped say, six or eight seats, as is, I say, widely predicted, would this cause you to re-examine or alter any of the policies that your Government has been so far pursuing?

PM. No, I don't think it would. I don't think it would cause us to re-examine any because, we have, I believe, brought Australia to its greatest peak of prosperity it has known, we have provided completely full employment, we have provided unprecedented growth, we have provided a situation where inflation is kept in check. When I say we have provided - we have provided the conditions under which the Australian people can do this, and this, after all, is the end and ultimate aim of government.

Q. Well, this is your first election as Prime Minister and it has been widely seen as a test of your personal leadership. If you do drop seats, do you think this might encourage any critics within your Party, within Parliament, to try to replace you as Leader?

PM. I don't think so. But the position of Leader is always in the hands of the Parliamentary Party as a whole. But I am not worried about it.

Q. Thank you very much, Sir.

Note: This transcript has been released in Canberra only.