

# COMMONWEALTH OF AUSTRALIA

---

## SPEECH

BY

**The Rt Hon. W. McMAHON, M.P.**

ON

## SUSPENSION OF STANDING ORDERS

---

*[From the 'Parliamentary Debates', 17 August 1971]*

---

**Mr McMAHON** (Lowe—Prime Minister) (4.32)—On another occasion I described the Leader of the Opposition (Mr Whitlam) as an extraordinarily feline person. I have no wish to change my views after today. I have every intention of trying to deal with the facts, and I want to mention the constructive actions that have been taken by this Government, whether it has been led by the right honourable member for Higgins (Mr Gorton) or by myself. I want to mention what we are doing to ensure the greatness of this country. I have no intention to degenerate into personalities in the way that the Leader of the Opposition, this feline person, has done.

Let me mention one or two facts. Not one of the statements that the honourable gentleman made about me is true in substance. Let me deal first of all with the question of my association with Sir Frank Packer over 40 years. It is true that on 8th November 1932 or somewhere about that time I did sign the memorandum and articles of association of his company. I was then an articled clerk in Allen, Allen and Hemsley. I had never met Frank Packer; I had never met his associates. I did not know who he was. The men to whom I was clerking, Sir Norman Cowper and Mr Arthur Hemsley, asked me to sign the document. Of course I signed it. Any person with a knowledge of law and a knowledge of the way companies are formed would have done exactly as I did.

Secondly, the Leader of the Opposition referred to the statement relating to the so called payment for the articles that had been written by the right honourable mem-

ber for Higgins. I did not ask the right honourable member whether he was being paid. For a fact, I did not think he was. But I see no reason in the world why I should ask him, particularly after I had read the article. It was no business of mine. If people want to ask him, he can be asked and I am sure he will give the kind of answer that he feels appropriate to be given.

The honourable gentleman also referred to the fact that in some article in the 'Daily Telegraph' there was a forecast of some further action to be taken. I will give the author of that article complete liberty to state positively, without any recrimination from me, whether he had discussed this matter with me or had let me know that the article was to be written. No member of the 'Daily Telegraph' contacted me prior to the publication of the article, and in fact I had not talked to Mr Alan Reid for at least 3 weeks prior to that, and I have not spoken to him since his return from Fiji. This is the kind of rumour and nastiness that are inherent in the mind of the honourable gentleman. I intend for the rest to ignore them completely and to get on with the job of governing this country and doing the best we can to contribute to its greatness.

The Leader of the Opposition referred to the fact that during the last session he also moved a censure motion on me. He has lost no time for a second one although we wanted to give him more time for his censure motion. I repeat that he is not only showing his inherent nastiness but is also attempting to obstruct the business of

this House and is trying to prevent us from getting on with the constructive work of government. This is the device of a man and a party with nothing to offer and a great deal to be ashamed of. When the Minister for Foreign Affairs (Mr N. H. Bowen) brings forward his paper on foreign affairs, I for one will participate in the debate, and I believe that I will be able to show not only that the Leader of the Opposition is dangerous to the security of this country but that wherever he went on his recent overseas trip he created an impression which was bad for Australia and which brought him into ridicule. I believe that in every country he visited he left a most unfavourable, even bad, impression.

**Mr Sherry**—I raise a point of order. The Prime Minister has just referred to the Leader of the Opposition being a danger to this country. This is impugning the character and the responsibility of the Leader of the Opposition and I ask the Prime Minister to withdraw the remark.

**Mr SPEAKER**—Order! I do not think that the Prime Minister at any stage impugned the personal character of the Leader of the Opposition. I think the honourable member is perhaps confused as to the substance of the Prime Minister's remarks about security.

**Mr Sherry**—Mr Speaker, with all due respect to your ruling, if the Prime Minister has referred to the Leader of the Opposition as being a security risk, this is certainly in my view a reflection on the character of the Leader of the Opposition and I ask the Prime Minister to withdraw the remark.

**Mr SPEAKER**—Order! Of course I have not a verbatim note of what the Prime Minister said, but from listening to him I do not think that he said that the Leader of the Opposition was a security risk.

**Mr McMAHON**—This is the device of a man and a party with nothing to offer and a great deal to be ashamed of. It is the attitude of a party that has been conditioned by 22 years on the Opposition benches to think only destructively. Obviously it has no mind for constructive contributions to the work of Parliament and it has no stomach, as I said before, for facts. It prefers to perform by innuendo,

suspicion and false statement. Let this be known: We in the Liberal-Country Party Government want to get on with the real business of government. We believe that Australia is a country with a tremendous future. We know that the people are sound at heart and we know that they are sensible. It is our task to represent them here in this Parliament, and we must not be diverted from that task by tawdry personal issues raised by the Opposition. We must take initiatives in nation building on their behalf. We are doing that and we will continue to do it.

The Leader of the Opposition is upset because I have made some ministerial changes. What has this to do with him? This is the business of the Government, and we do not want him interfering with what are exclusively our affairs. He has plenty to do trying to get his own Party into shape and, if I can go a stage further, in coming to terms with the President of the Australian Council of Trade Unions, who keeps rocking the boat with his excursions into what should be the Labor Party's exclusive preserves. It has been said—and I repeat this again—that I am influenced by the Press. I have been in Parliament a long time. I have held a great number of portfolios—more, I think, than any other person in the House. I make up my own mind what I personally should do in the interests of the nation, not in the interests of anyone else. Of course, I listen to advice from my colleagues in the Ministry, in the Cabinet and in my Party. I have consultations with industry. I meet the Press and I meet the people. But of this honourable members may be sure: I have never taken and will never take any action designed to please the Press people. I suppose that I have had more quarrels with them than has any other person in this House. Of course, on many occasions they have been in praise of me. If we look over the long term, I think the criticism has been pretty strong too. But who in this House has not gone through exactly the same experiences?

The second point that is referred to by the Leader of the Opposition is that of leadership. I and my former colleague know—we are probably the only 2 in this House who do know—that it carries very great responsibilities. But I want to ask this question: What leadership does the

honourable member for Werriwa give to his Party today? This is the man who incited young men inducted for national service to refuse to serve in Vietnam when it was their duty to do so. This is the man who approved the attempt by some unions to interfere with the legitimate trade of this country. This is the man who gave tacit support to the left wing unions and the professional dissenters during the recent rugby tour. This is the man who went to China to play party politics with wheat and finished up by being a total advocate for the policy of a foreign power—the greatest Communist power in Asia.

The Budget that the Treasurer (Mr Snedden) will bring down tonight involves a motion of real substance. The motion before the House this afternoon has none. The Budget presents fiscal policy and an explanation of monetary policy for Australia for the whole of 1971-72. It is therefore a paramount importance and should be treated accordingly. It is right, I know, for the Leader of the Opposition to talk about unity and good government. We talk about it. But we talk about it because we know what it means and we know the contribution we will be able to make. They are, I believe, the qualities that a well ordered country needs and that, I believe, Australia is getting in full measure from the Liberal-Country Party Government.

Let me remind honourable members of the performance of my Government in recent months. It has been here just on 5 months and in that time it has brought down a solid list of domestic legislation. It has broken completely new ground in foreign affairs. It has tackled a range of problems, not of its own making, including inflation and the fall in the price of wool, which are pressing heavily on the country today. I believe that they will be dealt with effectively, providing we can have continuity and steadiness in government. I believe, too, that it is of importance to make the federal system of government work effectively. That great spirit of free enterprise which has served Australia so well through all its history should not be stifled by controls and directions from Canberra.

I have said that we believe in co-operation as the basis for unity. In 5 months we have established, I believe, a new relationship with the States. What we did, in addition, was to give them a general growth

tax. We gave them payroll tax which was designed to stop them from coming to Canberra cap in hand and begging us to give them increasing access to funds. I emphasise that what we have done all this while is to continue the development of this country and we have also—this will be reflected in the Budget tonight—developed policies which are directed at reducing inflationary pressures because inflation is one of our greatest problems. Success here is the basis on which we can successfully plan for the future.

We must contain and, I believe, we must reverse the serious escalation of costs and prices. We have begun investigations as to how arbitration procedures might be improved. We have done this to give greater emphasis in wage decisions to the economic consequences of the Commonwealth Conciliation and Arbitration Commission's awards. We have also investigated what broader measures we might take to bring about the needed restraints in wage increases and in wage costs. We have come to grips with the crisis in some of our rural industries, particularly in the case of wool. Already, we have adopted reconstruction and special aid policies in order to assist them. We have reduced the migrant intake to contain costs and to allow a greater concentration on personal quality. We have passed legislation controlling resale price maintenance and we are reviewing the Trade Practices Act so that we can strengthen it and encourage much more vigorous competition.

On the advice of the Tariff Board the Government also has accepted the need for a systematic review of tariffs and this is proceeding. My Government has also reviewed important aspects of social welfare. We have done so because we consider it a prime duty to do more for the needy and the neglected. We want to clean out the pockets of poverty wherever they appear. The effective development of an adequate social welfare system, to which I have pledged my Government, depends heavily on a good working arrangement between the Commonwealth and the States. That is another reason why our new understanding with the States is so important.

In March we gave pensioners a supplementary increase. We did so because we thought social justice demanded a rise to

offset the sharp increase in living costs which was causing unexpected hardship. We also secured a satisfactory arrangement with the Australian Medical Association about fees to make the revised medical benefits scheme operate effectively, and we overhauled hospital insurance benefits to give a more extensive cover to fund members. So many of these activities bear on the quality of life which must be of increasing concern to everyone in Australia. We are, after all, searching for a quality of life which will be better than the one that we have today. This is the end objective of all our efforts, because the quality of life is just about everything that belongs to and relates to man. It is his place in the environment—the good he does, how he lives with his neighbours and the measures of his contentment—but at the same time we must preserve our freedoms and our civil liberties. (Extension of time granted) We must tackle the congestion and pollution of our cities. Now, having said that, I turn briefly to our record in foreign affairs. The Minister for Foreign Affairs will deal with the subject in detail later—I hope tomorrow but at the latest on Thursday.

**Mr Daly**—Mr Speaker, I take a point of order. My point of order is that this is all very interesting, but what does it have to do with the motion?

**Mr SPEAKER**—Order! There is no substance in the point of order.

**Mr McMAHON**—What does the so-called censure motion have to do with the House? As I said, the Foreign Minister will deal with the subject later. In the past 5 months we have made considerable progress with the prospect of getting our troops home from Vietnam as the operation there winds down. You will recall, Sir, that I announced further withdrawals at the end of March. I will state the Government's policy in the House this week. We have completed new appraisals of our relations with Japan, Russia and China. These appraisals took place over a year or more but they have brought us to new decisions in respect of all 3 countries in the last few months. I will not repeat them now. They speak well for our future in the international community.

Our aid programmes particularly in the Asian and the Pacific region continue at a

high level. We have also made progress with the 5-power defence arrangements for Malaysia-Singapore and we have become a member of the Organisation for Economic Co-operation and Development. What contribution has the Opposition made to national progress? Absolutely none. Indeed, by its actions and its abstentions it has aggravated the problems of the day. The Labor Party has encouraged a contempt for law and order and the rights of individual citizens. A clear example can be seen on the industrial scene and the increase in political strikes. We have had a rash of industrial strikes and stoppages which last year cost the work force nearly \$31m in wages. The loss to the nation in output and the consequent effect on prices is enormous. We must not forget that the number of man days lost by individual disputes has gone up 2½ times in the last 3 years. Now, I want the House to answer this question: What has the Leader of the Opposition done about this? The answer is positive—nothing at all. In all of this he has been silent, and by his silence he has given consent. He has stood by helplessly while his authority has been eroded and his bailiwick invaded by Mr Bob Hawke, the President of the Australian Council of Trade Unions, another leader who is causing responsible people in the trade union movement a great deal of activity. Another question I want to pose is this: Who is really speaking for Labor? It is not a question of who runs the country; it is a question of who runs the Labor Party.

**Mr Jacobi**—Ask Frank Packer.

**Mr McMAHON**—He would give the same answer on this occasion because he cannot decide, as no-one else can decide, who is running the trade union movement. I want to say more about the Leader of the Opposition, but I think it best to leave to the judgment of the House what it thinks about his censure motion, and him. I believe that answer will be given before 6 o'clock tonight.

Let me return to the overseas visit by the Leader of the Opposition. He went on a disastrous—I use the word deliberately—visit to Peking after he had given his tacit support to protests against the South African football tour. In China he conceded every single point the Chinese

made to him, and he did so in public. This was a disservice to Australia without any precedent. His performance is written into the record for all to read and for history to see. More will be said about China in the foreign affairs debate this session, but let me say just this: I believe his visit compromised discussions which the Australian Wheat Board was just about to begin with the Chinese when he announced his intention to go to China. I believe he compromised the first moves we were making through diplomatic channels to open up a dialogue with China. As a result of some cocktail gossip with a foreign representative in China, he caused more havoc than any man could have caused either in Australia or in any other part of the world. I believe it is the first time in Australia's history that a Leader of the Opposition has been the total advocate for another country's cause. I believe it is also the first time that any Australian political leader has presumed to tell other countries how they should run their business, and he did so publicly. He discredited the President of the United States of America by telling him he would be kicked out. He told Japan that it should cancel its treaties. Later when I have an opportunity to speak in the foreign affairs debate I will disclose more of his tactics and more of the mischief he has caused.

I have visited every State in Australia—some several times—in the last few months. I have seen great progress in national development wherever I have been. As I went around I became aware that many people are deeply troubled by some of the trends developing in Australia today. They are concerned with the increase in industrial disputes and lawlessness. They are concerned about the issue of law and order. They want to retain their right to dissent, but they do not want their civil liberties interfered with by mass protests or professionally promoted demonstrations. They do not want their right of choice within the law interfered with. They expect their parliamentarians to take note of these issues and to give them a lead. This, I believe, my Government is doing and is doing with strength.

May I now return to the principles relating to constitutional law and practice? So much doubt has been cast these days on the Cabinet system that I felt it would be

appropriate for me to make some statement about it. Of course, it is the Opposition's policy to cheapen and denigrate Cabinet. But I have another attitude altogether, and a far better one. I affirm my faith in the principle of Cabinet government. It is central to my own Administration. It is the practice which best suits the executive in our democratic parliamentary system. It must work effectively, whether as a Cabinet, as a ministry or through the system of committees which has recently been reconstructed, if parliamentary democracy is to be sustained. My concern as Prime Minister relates to policy. Cabinet is the proper instrument for the development of that policy. A change in party leadership and Ministers does not invalidate the Government's authority. It has not done so in the past and it does not do so now. It is the coalition Government of the Liberal Party and the Country Party which the people put back into office less than 2 years ago. (Extension of time granted) It is the coalition Government that I lead, and its authority continues in force. It has operated and will continue to operate with due respect to law and with due respect to process in the area of the Cabinet system, in the relationship with the States and with the electorate.

I can understand the disappointment of the Opposition that a change in leadership, and the other changes that have been made, have not brought about some reduction in our capacity to govern, our intention to govern or our right to govern. The motion that is before the House is, I believe, a product of that disappointment. A similar motion was moved in vain in March when I took over as Prime Minister. I repeat that today's motion will be in vain. I am perfectly confident that the people of Australia understand what I am saying. They understand, firstly, that they gave us authority to govern and that we still have that authority. They understand, secondly, that we are thoroughly capable to exercise that authority to their satisfaction. They understand, thirdly, that it would be folly to transfer this authority to another party unqualified and totally unable to discharge it effectively. I suspect they understand that the whole of today's exercise by the Opposition is nothing else but humbug.

I must remind the House that we are known abroad in the great majority of countries. Despite what the Leader of the Opposition said, we have given this country great national responsibility and stable and progressive administration over a period now running into 22 years, close to a quarter of a century. This is known and respected overseas, as it is here. This administration is not upset by changes in leadership, by ministerial re-arrangements or by any statements the Leader of the Opposition might make. I want to state to you positively, Sir, that you will see evidence of unity in this Government. You will find that the Liberal Party which I lead, with the Country Party standing behind us, will give to this country the kind of government that it needs and which will take it to a very much higher destiny than we know at the moment or that the Labor Party could ever think was realistically possible.