

PRIME MINISTER'S PRESS CONFERENCE

PARLIAMENT HOUSE, CANBERRA,

TUESDAY 20TH NOVEMBER 1973

PRIME MINISTER: Ladies and Gentlemen there were a couple of things that I announced about 23 hours ago after the Cabinet meeting yesterday. I can give you a couple of others. First the appointment to the Commonwealth Banking Corporation of Mr Cliff Dolan. His appointment will take effect from the 24th. He is being appointed to succeed Mr R.D. Williams - Barney Williams - who, whom you remember, has been appointed to the Australian Conciliation and Arbitration Commission. Mr Dolan is Federal Secretary of the Electrical Trade Union of Australia and is senior Vice-President of the Australian Council of Trade Unions. Then the matter of four weeks recreation leave, for employees in the private sector in the Territories. We are introducing an ordinance which will be gazetted of course, by the appropriate minister, to apply four weeks recreation leave for employees in the private sector in the Capital Territory; official members of the Northern Territory Legislative Council will introduce an ordinance to make similar provisions for private sector employees in that territory and appropriate measures are being taken to introduce minimum periods of recreation leave in the other nonself-governing territories; that is Norfolk Island, Christmas Island and Cocos Island. There is another matter I can announce to you. We have decided to participate in the International Exposition on the Environment to be held in Spokane, Washington, between May and October next year. Discussions are proceeding between officials to determine the nature and scale of Australian participation and a report is expected to be submitted to Cabinet within the next fortnight. The exposition has been sanctioned by the Bureau of International Expositions of which Australia is now again a member and it is part of the 200th anniversary celebrations of American independence. The Soviet Union, Japan, Canada, France and Mexico are participating as well as other countries in Europe, the Pacific area and Latin America. Are there any questions.

QUESTION: Will you explain why and on what information or advice the Government decided to vary the recommendation of the Tariff Board on protection of the Australian electronics industry?

PRIME MINISTER: It was made as a result of discussion around the Cabinet and officials were called in to advise as to the difference this would make in money terms for the various sets.

QUESTION: Do you believe that the matters exposed by the Parliament early today were resolved to your personal satisfaction and in the highest traditions of the Parliament established Westminster, and do you believe that by today's vote by the Parliament, your reaction both within the Parliament and outside have been vindicated.

PRIME MINISTER: Yes. You were able to see what happened last week.

QUESTION: May I follow that up with one clarification - in the House this morning Sir, you said you had apologised last week for your remarks. My understanding of it, sitting in the gallery, that you offered to apologise....

PRIME MINISTER: No. I withdrew the aside I made across the table in response to Mr Snedden. It was an aside in each case as I pointed out, because it was not heard by the Speaker, or the Clerk, or any members, or in the press gallery or by pressmen who were listening on the radio. Mr Snedden dobbed me in. I withdrew what I said. You remember he wouldn't withdraw what he said.

QUESTION: Quite clear. This morning, I thought however, you were referring to the other remarks about Dr Forbes which you said positively at one stage last week, you wouldn't withdraw, and later you said you offered to withdraw. You haven't withdrawn your remarks.

PRIME MINISTER: I won't say yes or no. I forget what happened. I do remember quite clearly the matter of the aside across the table, the offensive language he used and which I capped.

QUESTION: You allowed Francis James a theological question. Now do you permit a gastronomical question?

PRIME MINISTER: Well, which paper do you represent? He represented a theological paper. Do you represent a church paper or do you represent a gastronomical paper?

QUESTION: A gastonomic interest. Your....

PRIME MINISTER: I wish my gastronomical interest had the same elegance as yours.

QUESTION: You are very critical of some people's drinking habits. How much truth is there in the rumour that you have your own special interest in chocolate eclairs and that these are reasonably provided in the Cabinet Room?

PRIME MINISTER: There are no chocolate eclairs provided in the Cabinet room. I have my problems. And I don't want to admit any more weaknesses than I have to. However, you have mentioned the Cabinet and while its proceedings are secret, I can assure you that chocolate eclairs are not provided under this government. I do admit that I eat during sitting hours.

QUESTION: Chocolate eclairs?

PRIME MINISTER: No. But you could tempt me.

QUESTION: From the answer you gave to Mr Haupt's question about officials being called in to give the results of what various rates would be on the price of television sets, can we take it from that, that that was the main consideration in Cabinet the price and price (unclear) price of television sets?

PRIME MINISTER: It was a very large consideration in fixing the tariff duty. As you realise, the variation between the tariff duties fixed by Cabinet and that recommended by the Tariff Board had very little consequence in terms of price.

QUESTION: Sir, but what about employment effects?

PRIME MINISTER: It would reduce....It wasn't the only factor. It was a very large factor. But it would mitigate any employment effects; but I am not asserting that there would be any employment effects. I guess you have seen the Tariff Board report now. You have read it. And it is quite clear that there will be no fewer people, in the Tariff Board's view, employed in manufacturing television sets under the new duties, the reduced duties, than there were under the old duties. The reason being quite clear: that the cheaper the set, the more sets are going to be produced and sold. There will be other employment aspects. For instance, colour television requires many more people to service it, and the more sets you sell the more people will be required to service those sets. Furthermore, there will be more employment in the entertainment industry, particularly in the aspects engaged in the production of radio and television programs, if more people are able to buy sets to pick up those radio and television programs. So there will be no reduction in employment. The cheaper the sets the greater the employment is likely to be. So this was considered but it was not the main consideration, and it was not one on which the officials were asked to calculate.

QUESTION: In the first three years after the introduction of colour television, it can be calculated that the cost to consumers of the Government's modification to the Tariff Board's report will be \$36 million. That is, one dollar for every man, woman and child in Australia. The modifications were justified on defence grounds. How do you reconcile this with the following statement in the Tariff Board's report: "It would appear from advice obtained from the Department of Defence that the Board's recommendations would not significantly affect Australian defence requirements." Page 22.

PRIME MINISTER: You have been told, I think. Anyway I will read you what we have said on the defence aspects: "The Government will introduce appropriate subsidy assistance to maintain at least until the Tariff Board's report on Professional Electronic Equipment is considered by the Government." That is, the sort of equipment that is required by Defence Departments, radio stations and television stations. "The production in Australia of selected electronic components which are or could be important for their defence, telecommunications or technological significance. For example...." and there were 10 quoted there. "The precise list of components which might be covered by such a system, is to be determined by the Government after further consideration of defence, telecommunications and technological aspects. Advice will be sought from appropriate departments and technical authorities for instance, universities and/or consultants. The nature and extent of any subsidy assistance will be subject to appropriate rationalisation and re-structuring being undertaken by the industry in consultation with the Government. The details of this assistance are to be determined

and announced before the end of next June. The future of the subsidy assistance introduced is to be reviewed at the time of consideration of the Tariff Board's report on Professional Electronic Equipment." So the whole question of the defence aspects will be considered together, you will notice, with the Tariff Board's pending report on Professional Electronic Equipment.

QUESTION: Sir, it can also be calculated that in the first 3 years after introduction of colour television, the Government's modification..

PRIME MINISTER: I am not endorsing or rejecting your calculations.

QUESTION: I calculate that they will reduce the sales of television sets by 100,000....

PRIME MINISTER: I am not commenting on your calculations. The fact is that television sets will be very much cheaper for individuals and for the whole community now than they would have been if the Government hadn't changed. I am not commenting on your calculations - I am not nimble enough to do it.

QUESTION: In your statement last night on the tariff cuts you said that the Government would take appropriate action to ensure that the benefits were passed on to the consumers. Who will take this action, and what do you regard as the appropriate action?

PRIME MINISTER: The Government can determine the price of imports. And this can be done by the Prices Justification Tribunal or by the Government after consideration by the Joint Committee on Prices in the Parliament.

QUESTION: Sir, you have said in the past that you are prepared to answer questions on specific interdepartmental committees. I understand there was an interdepartmental committee which considered the tariff report on television. Will you tell us what it said, since you didn't release it with the report?

PRIME MINISTER: I said that I would give the membership and the charter and the timetable of such reports. I didn't say I would release the reports. This matter was raised in Cabinet and Cabinet decided not to release it. One very good reason why this or some other inter-departmental committee reports are not release, is that there are references to legal aspects and a Government naturally doesn't give the legal aspects of its decision to the public. This inter-departmental committee, as I announced in the Parliament in answer to a question last Thursday, as I recall, in answer to a question without notice last Thursday, because it was announced last June. I appointed the Standing Inter-departmental Committee on Assistance to Industries last April. The text of the letter as an annexure to Sir John Crawford's report on a commission for assistance to industries - I forget the precise title that he gave to his report - that was signed by Sir John and given to the Government and released by the Government to all members, and I think to you Ladies and Gentlemen, last June and the existence of this committee, of course as I recall, in a question without notice last Thursday, it was also noted in an answer I gave to a question on notice by Mr Snedden. The Interdepartmental Committee on Assistance to Industries. The membership of it was announced where it appears in

the Crawford Report annexure. On this occasion the SIDC comprised representatives of the Departments of the Treasury, Secondary Industry, Overseas Trade, Labour, Customs and Excise, Defence, Supply, Science, the Postmaster-General, the Cities Commission the Prime Minister and the Department of the Media, was consulted by the committee. If anybody had asked how the committee was composed for the consideration of the Tariff Board report on colour television they would have got this answer.

QUESTION: I refer to your appointment of a very senior career diplomat, Sir David Anderson, to be Ambassador in Paris. Is this an indication that all is forgiven with France over their nuclear tests and supplementary to that, in that the ICJ case comes up again next year, in what capacity will you be using the retiring Solicitor-General and what will he be paid, to conduct our case before the ICJ.

PRIME MINISTER: The dispute with France about her nuclear tests continue I regret to say it is undiminished. That appears from what Australia's representatives have said, and how they have voted in the current United Nations General Assembly and its committee. In other respects, relations with France are correct. The retired Solicitor-General Mr Ellicott, will be appearing for Australia in the International Court of Justice hearing of Australia's case against France, arising from the breach which we allege of France's international obligations, and in particular, the Treaty - 1928 Treaty - to which we are both parties. I don't know what his fee will be. But if I did know, I wouldn't tell you. You don't expect me to state what fees are of individuals.

QUESTION: Back on the Tariff Board report, I am afraid. Can you explain why the Government did not accept the Tariff Board's recommendation of 25% duty. If you are saying that this Government will make colour television sets cheaper than the previous Government, why instead have you raised the duty in Cabinet to 35%. What is the reason for this?

PRIME MINISTER: The Tariff Board report recommended that there should be a 25% duty on electronic components excluding colour cathode tubes, 30% on monochrome and colour TV and 30% on radios, radiograms, and sound recorders reproduced. It was clear that there was no great significant difference in the cost if it was made 35% for all of these. In particular you mention about the 25% duty recommended by the Tariff Board on the electronic components. The advice is that there is no substantial reason for having 25 on those particular items and 30 on the others.

QUESTION: So everything is 35?

PRIME MINISTER: Everything is 35.

QUESTION: Just on the decision making processes of the Labor Party. Did I understand you correctly to say that Cabinet yesterday had outside advisers in during the course of the Cabinet meeting....

PRIME MINISTER: At one time.

QUESTION: Is this the first time it has ever happened.

PRIME MINISTER: No.

QUESTION: So it is not unusual for this to occur.

PRIME MINISTER: Yes, it is unusual, but it has happened with us and I am informed that it has happened quite often under preceding governments.

QUESTION: On another aspect of it, Mr Whitlam, you spoke in Cabinet last week in respect to tariff policy and the executive, the Cabinet as opposed to Caucus. However, Caucus made other important policy decisions which one might say were taken in the course of very brief debate in Caucus, such as four weeks annual leave for the private sector in the ACT and the goldmining and other mining bills. Is there any procedure within the Labor Party's decision making process for holding up hot issues so that they can be considered at a more leisurely pace, or with written submissions or does Caucus retain this right all the time to make on-the-spot decisions about major policy issues.

PRIME MINISTER: There are Standing Committees of the Caucus, as you know, which provide for consideration of any matters which the Committees or the Caucus want to consider and that is what the Standing Orders provide that there should be consideration of such matters by the Caucus Committee. These Committees, as you know, are composed of people who nominate themselves. Every member of the Caucus can nominate himself for three Committees, but Standing Orders like any Standing Orders can be suspended and they were last week.

QUESTION: Prime Minister, could I just clarify a point on that Caucus procedure, you said in Parliament last week that you would not accept that Tariff matters should go to the Caucus before being announced in Parliament or announced generally. However, back in May on the 9th of May, there was a Caucus decision that all matters relating to changes in Tariffs, subsidies and bounties be referred to Caucus for a final decision. Will you take the same attitude in relation to subsidies and bounties that you have taken in regard to Tariffs?

PRIME MINISTER: Any matter which comes for a vote, or which can come for a vote, in Parliament, goes to the Caucus to decide its collective attitude. I made this quite clear and there is no need for me to clarify it further, I made it quite clear in the House when I was asked the question on it last Thursday morning by one of the Liberal members.

QUESTION: It was the timing, Sir, that was all. You pointed out last Thursday in answer to that question that you would first report to the Parliament and the Caucus later. You said that at this Press Conference last week, that was in relation to Tariffs.

PRIME MINISTER: That was in answer to a question, I think by Mr Maximilliam Walsh.

QUESTION: Well will the same thing apply with bounties and subsidies. Will you first make the decision and then take it to the Caucus?

PRIME MINISTER: If they require a vote in the Parliament, I will.' There are two things. The first is, is there a matter on which people can speculate and which therefore should be considered by persons who are under obligation to keep the matters confidential. There are clear cases of that nature in respect to a budget or most Tariff Board reports. There are some Tariff Board reports where clearly the question of speculation can't arise or would be too remote to be significant. Then, clearly, if any matter can come to a vote in the Parliament, the Caucus determines its collective attitude on those matters.

QUESTION: After you have made the announcement in public?

PRIME MINISTER: I do not need to say anything more about it.

QUESTION: Prime Minister, last week Australia was reported to abstaining from a U.N. resolution against South Africa, and I was wondering if you could reconcile this decision with your earlier remarks about South Africa in particular lending Australia's support to any international action to bring down the South African Government.

PRIME MINISTER: If you had the text here, I could show you where we regarded this as being excessive. On balance, we thought that the resolution went too far. We do not oppose, this Government does not oppose resolutions which are substantially acceptable. That is, we do not oppose a resolution because there may be one small component which we certify as unacceptable. But if you saw the full' text you would understand why we voted in that way.

QUESTION: What is the significant part of it Prime Minister, what do you regard as....

PRIME MINISTER: Let us look at the text.

QUESTION: In the House today, Sir, you seem to have conceded that Dr Kissinger was right, and you were wrong over the issue of whether President Nixon had called the U.S. Military alert for domestic American consumption. Was this a serious diplomatic error. If so, Sir, was the error your responsibility or the responsibility of bad advice from your Department?

PRIME MINISTER: I have got nothing to add to what I said in the Parliament.

QUESTION: When is Mr Barnard expected to go to Washington to re-negotiate the relationship of the Australian Government to the United States Government on U.S. bases in Australia and will that involve us paying for use of bases such as North-west Cape and will it also involve us being given a guarantee that they will never be allowed to send signals there without our permission?

PRIME MINISTER: Mr Barnard will be visiting the United States in the recess. I think probably in January and there will be many aspects discussed. I do not propose to endorse the aspects that you have mentioned or reject them, or add to them.

QUESTION: This is a follow-up to my earlier question, Sir, as I understand it, the IDC that I referred to earlier endorsed the Tariff Board's decision and I also understand that the two Departments which briefed Cabinet yesterday did not endorse the Tariff Board's decision although they were members of the IDC; can you confirm whether that is so and can you also tell us why the other Departments of the IDC that believed in the Tariff Board's recommendations were not given the opportunity to brief Cabinet?

PRIME MINISTER: The Departments from which officers were asked to come to Cabinet to give calculations of the effect of varying Tariff duties were Prime Minister's, Secondary Industry and Customs and Excise.

QUESTION: Senator Bishop is now back with us Sir, and I was wondering whether he would remain in Repatriation or will he go to A.C.T. or what is the position, Sir?

PRIME MINISTER: I will let you know if I have anything to say on this.

QUESTION: My question is in regard to the reported resignation of Senator Cavanagh of Minister in charge of Government business in the Senate. I was wondering Sir, whether you have accepted Senator Cavanagh's resignation; if not, do you intend to accept his resignation and thirdly Sir, do you think that Senator Murphy should have consulted Senator Cavanagh before he moved the adjournment on what has now turned out to be a rather eventful Wednesday night?

PRIME MINISTER: I discussed this matter this morning with the two Senators you mention and I have not spoken to them since.

QUESTION: Sir, you have said that you have discussed these matters with Senator Cavanagh and Senator Murphy, what was the outcome of the discussions?

PRIME MINISTER: I have not seen them since.

QUESTION: Wasn't there an outcome at the time?

PRIME MINISTER: No.

QUESTION: You said Sir, when Mr Johns asked what powers you would have to impose on the prices and imports of television sets, that you had something such as your Committee in the House of Representatives to examine import prices, now the first report of this particular Committee has been a very mixed bag, it is a set-in point of fact that your evaluations failed to work quite significantly in the area of pharmaceuticals, and also in respect of timber, perhaps - they are unsure about timber - so quite clearly you really do have no powers if all you can do is report. And so, what powers would you have and are these the sort of powers you would hope to activate after your referendum?

PRIME MINISTER: The Parliamentary Committee, like any other Parliamentary Committee, it has no executive powers at all. But like nearly every Parliamentary Committee, I think everyone which is in existence at the moment, it is composed of members from both sides of the House or in the case like this Joint Committees of each side of both Houses and it can make recommendations or findings and there can be majority and minority reports and there was on the one that you mentioned. And it is then for the Government to take executive action in the light of the Committee's findings or recommendations - majority recommendations - or the minority ones if it likes. The difference of opinion on the imports that you mentioned I think consisted of Mr Gorton presenting a view different to that of his colleagues. I have not followed it in any great detail, but he asserted that the findings were Government on one side and Opposition on the other. It was pointed out and then Mr Gorton acknowledged that the other Member or Members from the Opposition supported the Government members on this matter. Mr Gorton differed from his opponents and his colleagues.
