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PRIME MINISTER'S PRESS CONFERENCE
PARLIAMENT HOUSE, CANBERRA
TUESDAY, 2 APRIL 1974

PRIME MINISTER: Ladies and gentlemen, some of the Cabinet decisions yesterday have already been announced. Mr Crean has done so and Mr Daly has done so. I, myself, will be issuing later in the day a statement on the Animal Health Laboratory. In brief, we have approved a project to provide major protection for the Australian livestock industry. We will establish at Geelong a laboratory complex and an Animal Health Laboratory at an estimated cost of \$56 million. This will provide a vital protection against animal diseases for one of Australia's most important industries. Are there any questions?

QUESTION: Why was Senator Gair appointed Australian Ambassador to Ireland and, secondly, was this opposed by officials at the Department of Foreign Affairs who would have liked to see the position filled by a career diplomat rather than a politician?

PRIME MINISTER: The Department of Foreign Affairs wasn't asked for a view on it and, of course, didn't presume to express a view on it. But members of Parliament have been constantly appointed to diplomatic posts including Ireland. You remember Sir Hugh Robertson was appointed as Ambassador to Ireland. Other serving members of Parliament who have been appointed as ambassadors have been Sir Percy Spender to the United States, Sir Howard Beale to the United States, Mr Joe Gullett to Greece, Mr Dan Mackinnon to the Argentine, Uruguay and Peru, and Mr Gordon Freeth to Japan. Members of Parliament who have been appointed as High Commissioners have been Sir Thomas White to Britain, Sir Eric Harrison to Britain, Sir Alec Downer to Britain, Dr Donald Cameron to New Zealand, Dame Annabelle Rankin to New Zealand and Sir Hubert Opperman to Malta. Then there have been Consul-Generals - Sir Josian Francis to New York and Mr Roger Dean to San Francisco.

QUESTION: Mr Whitlam, did you appoint Senator Gair because of his tact, diplomacy and agreement with your Government's policies or so that you could win another Senate seat in Queensland?

PRIME MINISTER: I would agree with what Mr Snedden said about Senator Gair on the 4th October: "Senator Gair is a very experienced and very senior politician. He has, in fact, been a very great Australian". My attitude to Senator Gair has always been the same.

QUESTION: Can I repeat Mr Oakes' second part of his question? Do you hope to win the sixth seat in Queensland?

PRIME MINISTER: Yes. No, I correct that; the fifth.

QUESTION: I have a message from Brisbane. It states that the Queensland Premier - he may have done this already - but in Parliament today he intends to announce that the Queensland Government and the Papua New Guinea Government have agreed to retain the present boundaries. Are you aware of this, and what are your comments?

PRIME MINISTER: I haven't heard.

QUESTION: Do you have any comments to make on Russia's request for consideration of a joint base in Australia?

PRIME MINISTER: You are referring to a proposal that some Soviet scientists made in February for the establishment of a joint Australian/Soviet station. The proposal is that the station would be used for purposes of photographing space objects and contributing to a study of the characteristics of the atmosphere. That was the way the proposal was put. The proposal is currently under study in appropriate departments. No advice has been given to Ministers on it, and Ministers have not considered it.

QUESTION: Was the decision to appoint Senator Gair taken while you were Acting Foreign Minister in Senator Willesee's absence?

PRIME MINISTER: Yes.

QUESTION: Did the initiative come from yourself?

PRIME MINISTER: Yes.

QUESTION: Was Senator Willesee consulted and what was his view on the appointment?

PRIME MINISTER: The appointment was made while I was Acting Foreign Minister. Senator Willesee knew before he went away and, of course, he has known since he has returned.

QUESTION: Will Cabinet make the decision on whether there should be a Russian base here and when do you expect that decision to be made?

PRIME MINISTER: Well Cabinet might, but it might not. It depends on what the Ministers concerned feel about it. I wouldn't imagine that there is any particular hurry. I believe there have been such proposals put to our predecessors too, but as often happened in those days, no decision was reached.

QUESTION: Did the Irish Government express any reservations about a second political appointment to be Ambassador in Ireland.

PRIME MINISTER: No, the Irish Government made no comment on the appointment. The Irish Government in fact gave its agreement very rapidly.

QUESTION: Prime Minister, has Senator Gair officially accepted the position?

PRIME MINISTER: Yes. He hasn't, I understand, resigned from the Senate yet.

QUESTION: On the Senate election. What would you expect the state of the parties to be in the Senate after the election. How many seats do you expect to pick up?

PRIME MINISTER: I haven't worked all this out. It may be that matters are in a state of flux. There may even be some rearranging of various tickets.

QUESTION: What other appointments have you offered to members of the Senate after the Senate elections?

PRIME MINISTER: I have to wait until other governments have indicated their agreement. Seriously, there have been no discussions on any such matters.

QUESTION: Do you welcome the States access to a consumption tax as the High Court determined it yesterday. And will you be vacating the field of Commonwealth sales tax to allow the States access to a growth tax which you have always advocated or will you be cutting back on your commonwealth grants to the States?

PRIME MINISTER: We haven't studied the judgment yet and the other States, apart from Tasmania, have not considered legislation on this subject yet. Tasmania will, as a result of the judgment, presumably be bringing in fresh legislation. As a matter of general attitude, however, a consumption tax, a consumer tax, is one which is quite appropriate for States to levy in a Federal system. There has been very much doubt and hesitation hitherto by the States in imposing such taxes because there have been a great number of decisions by the High Court on the Commonwealth's exclusive power to levy excise duty. There has been doubt as to what taxes would be excise duties. The High Court decision yesterday clarified this matter quite considerably.

QUESTION: Prime Minister, in reference to your policy of accepting only skilled or professional workers from Asia, do you think that might cause a brain-drain from these countries that would generate as much antagonism as the White Australia policy?

PRIME MINISTER: It might. It well might. I take this opportunity to comment that many newspaper articles on this and other immigration matters refer to a "migrant drive". The Government is conducting no migrant drive. What the Government has done is to make arrangements for the same method of assessing skills, industrial skills, which hitherto, have applied to Europe, including Turkey, to the ascertainment of industrial skills in S.E. Asia, the South Pacific and Latin America and, accordingly, if people in those other countries nearer to us now seek to migrate to Australia, their skills will be able to be determined at home instead of being referred to Australia. We are, in other words, as regards industrial skills making the same arrangements for our neighbourhood and our hemisphere as have been made for some years past in respect to Europe.

QUESTION: Is the Government prepared to pay compensation to mining companies that are not able to go ahead and develop reserves that they have vacated because of decisions in relation to the environment, Aboriginal land rights, Aboriginal welfare? Would such compensation, if it were to be paid, be based on expenditures they have incurred in vacating the reserves, or would it be related to their expectations of profits, if they were allowed to go ahead and develop them?

PRIME MINISTER: There might be legal implications in any answer I have to that, so you will understand that I won't answer it. The general situation is that for the last 20 years, under legislation introduced by one of the Menzies Governments, uranium in the Australian territories - and there are very great deposits of uranium in the Northern Territory; we don't know of any in Canberra or Jervis Bay - belong to the Australian Government. And accordingly we have suggested to companies which have contracts to supply uranium overseas that they can fulfil those contracts from uranium deposits owned by the

Australian Government in various parts of the Northern Territory. We are not prepared to allow any companies to exploit uranium from Aboriginal reserves until Mr Justice E.A. Woodward has given a further report on Aboriginal land rights in the Northern Territory.

QUESTION: Mr Prime Minister, I understand that during your forthcoming visit to Europe, you are going to visit Yugoslavia. This will be the first ever visit of an Australian Prime Minister to Yugoslavia? Considering also the fact that there are a quarter of a million Australians of Yugoslavian origin, do you expect that your visit will improve better the relationships between the two countries, and whether some tangible concrete matters will be discussed?

PRIME MINISTER: I have had many invitations from heads of Government or heads of State in Europe to visit their countries. Among them there is an invitation from Yugoslavia. Accordingly, when I visit Europe, I intend to visit Yugoslavia. The Prime Minister of Yugoslavia visited Australia a year ago and therefore it is proper that I should reciprocate his visit on my first visit thereafter. I know the contribution that Yugoslavs have made to Australia, because I believe that in my electorate there are more people who were born in Yugoslavia or whose parents were born in Yugoslavia than any other electorate in Australia.

QUESTION: There is a considerable concern that meat prices are dropping seriously. A number of abattoirs have been forced to lay off staff due to the virtual disappearance of export sales. The main problem seems to be an over-valuation of the Australian dollar against the American dollar and the Yen. Is the Government concerned about this situation?

PRIME MINISTER: I will not make any comment in public on matters of valuation of the currency. Nobody in this job would. If prices are falling overseas, we might even get them to fall at home.

QUESTION: Will the Government give asylum to an American war deserter, currently under detention in the country, and what is the general attitudes of the Government on at least another ten deserters believed to be in Australia?

PRIME MINISTER: The Government hasn't considered this matter and I have only had a very passing discussion about it with my colleagues. You might forgive me however if I express a tentative view. The man concerned has an Australian wife and Australian born children. I don't believe it is possible that in those circumstances he would be deported.

QUESTION: Presumably you will hope that the DLP will be killed as a force in the Senate on May 18. Do you hope that?

PRIME MINISTER: I would believe that there will be one member of the DLP in the next Parliament after the Senate elections.

QUESTION: Has this hope or belief influenced your decision to appoint Senator Gair to Ireland?

PRIME MINISTER: There are DLP candidates standing in several States. I would not think that any of them have strong prospects of re-election.

QUESTION: You said in the House this morning you hoped that Senator Gair would be in Dublin in July. When exactly will he take up his appointment?

PRIME MINISTER: Before July. I am not sure. I would think about the end of June. As you know our diplomats in various posts find it useful and agreeable for them to have a visit by the Prime Minister or the Foreign Minister because it brings them quite intensely into governmental circles at their posts.

QUESTION: Can you tell me why Professor Ronald Henderson's report on poverty was not released yesterday as expected?

PRIME MINISTER: Because it is proper to release it in Parliament while Parliament is sitting.

QUESTION: Can you tell us, is there still time between now and May 18 to have the sixth vacancy elected in Queensland?

PRIME MINISTER: The Queensland Government if the Queensland Legislative Assembly is not sitting, or the Queensland Legislative Assembly, if it is sitting, can make an appointment to fill a casual vacancy. The replacement is made at the first election, Federal election, after the occurrence of the casual vacancy in the State. The balance of Senator Gair's term will be taken by the person elected on 18 May.

QUESTION: That depends on when Senator Gair retires. Do you know when that will be?

PRIME MINISTER: No.

QUESTION: Can I clarify a point in answer to my earlier question? When I asked you whether you had had any negotiations referring to overseas posts, what I was getting at specifically is: Have you had any discussions with Senator Negus or any other independent senators regarding the possibility of standing for President after the Senate elections?

PRIME MINISTER: I haven't and if I had I wouldn't tell you.

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