

PRIME MINISTER'S PRESS CONFERENCE, CANBERRA,  
TUESDAY, 22 OCTOBER 1974

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PRIME MINISTER: Are there any questions?

QUESTION: Do you expect to get support of any or all of the States for the Federal Government's initiatives in building hospitals? What indications do you have of their reaction to the proposal? If you don't get support from any or all the States, will the Federal Government still go ahead on its own initiatives?

PRIME MINISTER: There is more than one matter upon which I have written this financial year to the States concerning hospitals. I was asked at Question Time today about the specific proposal that my Government had made to the Governments of New South Wales, Victoria and Queensland. I had suggested to the Premiers that since the money which had been made available last financial year to the Governments for specific projects - planning or construction - hadn't been spent to any degree at all, they should let us take over the sites, complete the plans and construct and operate the hospitals. The particular hospitals concerned were Westmead and Campbelltown near Sydney, Sunshine in Melbourne and Mount Gravatt in Brisbane. In each case the Premier has replied. In each case I think I could say that they didn't accept the proposition. I expect that the Government will be going ahead. Ever since the 1946 referendum the Australian Government has had the opportunity - we would therefore say the responsibility - to provide medical services. Clearly hospitals are a crucial item in the provision of medical services. There are not adequate hospital facilities within ten miles of Westmead or Campbelltown or Sunshine or Mount Gravatt. The population in each of those areas is growing very rapidly. It is quite clear that hospital facilities will be needed in each of those areas much earlier than the States would ever be able to provide them. In some cases the States haven't got plans. In the case of Westmead, where New South Wales has had plans for six or eight years and where, in the last financial year, we made \$4½ million available, the State was only able to spend, I think, about 10 per cent of that amount. It is clear that we shouldn't wait any longer before seeing the people in those rapidly growing areas are able to have a full range of medical services at a modern hospital.

QUESTION: Has the Royal Commission into Australia's security services begun its hearings yet?

PRIME MINISTER: There won't, I expect, be open hearings.

QUESTION: Has it begun its work yet?

PRIME MINISTER: Yes. Mr. Justice Hope, the Royal Commissioner, has already consulted many people.

QUESTION: Will you ensure that as many public hearings as possible will be held and where, for security reasons, they won't be held in camera will you arrange for a list of witnesses to be

made available so that the public are kept informed of the progress of the Royal Commission?

PRIME MINISTER: I will do nothing of the sort. The Royal Commissioner is free to conduct his Commission as he sees fit. I have no doubt that he will conduct it in a completely proper way - none whatever.

QUESTION: If unemployment is increasing at the rate of 5,000 per week, what hope can you offer to the huge number of young Australians leaving school this year?

PRIME MINISTER: There is a debate going on in the House at the moment on this, among other aspects, and I don't propose to duplicate it.

QUESTION: Mr. Cameron in the House last week in reply to a question by Mr. Cairns said "No" to the question: "Will he guarantee full employment to the Australian workforce, including school leavers, by March/April next year?" Does this mean, sir, that you are presiding over the demise....?

PRIME MINISTER: Well, before you go any further, Mr. Power, you know that I don't comment on things like this. If you want an elucidation of this matter, you ask Mr. Cameron. Mr. Cameron is never reluctant to go on radio.

QUESTION: You said yesterday that you and other ministers would be talking to trade union leaders to explain the Government's decision on wage restraint. What steps are you contemplating specifically to secure return of business confidence? Have you given any more thought to the question of investment allowances?

PRIME MINISTER: I don't want to specify any particular measures. As I said last week, this is one of the measures which I am quite happy to consider and my colleagues too. We have shown ourselves completely flexible in considering proposals to have business confidence. Business confidence is quite necessary, obviously, if there is to be adequate employment or investment for the future.

QUESTION: If the Opposition in the Senate amends your Budget legislation to restore the \$400 education allowance, would there be an election in December?

PRIME MINISTER: I won't speculate on that matter.

QUESTION: Are you planning or have you planned a second bid for prices and incomes powers by a referendum?

PRIME MINISTER: I have taken no steps.

QUESTION: Do you have it under consideration?

PRIME MINISTER: I have taken no steps.

QUESTION: Will you be able to assure Mr. Tanaka, do you think, when he arrives here later this month that the Australian Government won't be stood over by trade unions to impose import quotas on Japanese exports because of unemployment in Australia?

PRIME MINISTER: You are, I think, referring to something that one union did in respect to Japanese cars last week. The trade union movement itself properly handled this matter.

QUESTION: Did Dr. Cairns consult with you before writing to the Associated Chambers of Manufactures in support of the campaign to have the general review of tariffs deferred and its criteria changed? Do you support that campaign?

PRIME MINISTER: I answered a question on this subject in the House this morning. Dr. Cairns was acting as Prime Minister when he wrote the letter which was published in today's Financial Review. I stated today, at Question Time, that if ACMA, to whose representation Dr. Cairns was responding, chose to give its views to the Jackson Committee then it would be very welcome to do so. I am sure the Jackson Committee would expect to get the views of ACMA on tariff matters. The Jackson Committee has been asked to look into tariff matters in the course of its review of manufacturing industry generally.

QUESTION: Do you support that campaign though?

PRIME MINISTER: I am inviting ACMA to put its point of view to the committee which the Government has set up to prepare a Green Paper on all aspects of manufacturing industry, including tariffs. ACMA is certainly entitled to put its point of view, but obviously its views should be put, among other places, to the Jackson Committee.

QUESTION: Further to Mr. Jost's question on the prices and incomes, do you intend to discuss this matter with Mr. Hawke at the weekend?

PRIME MINISTER: I wasn't proposing to.

QUESTION: When will you take further steps regarding prices and incomes?

PRIME MINISTER: I have got no further answer.

QUESTION: Do you hope to get the Japanese beef market re-opened during the talks with Mr. Tanaka next week?

PRIME MINISTER: Obviously all our exports to Japan will be discussed and among them beef.

QUESTION: Can you explain the logic of the Government's moves to insist that the oil companies in Australia charge world parity prices for aviation turbine fuel to international airlines? Why should the Government be so determined to boost the profits of oil companies at the expense of the airlines, particularly Qantas and their passengers?

PRIME MINISTER: You ought to ask Mr. Connor about that.

QUESTION: Have you had drawn to your attention remarks made by Mr. Tony O'Reilly in Albury at an advertising conference last Sunday?

PRIME MINISTER: Yes, I have the cutting here.

QUESTION: Got any comments on it at all, sir? In particular he gave a drubbing to the Prices Justification Tribunal?

PRIME MINISTER: But he gave a terrific boost to the Trade Practices Act.

Comment: That's right, he did. I think he thinks they ought to be centralised.

PRIME MINISTER: I don't want to comment on the Prices Justification Tribunal. Its President is a distinguished judge. He has made some statements himself. He has given prepared addresses himself on the operations of the tribunal. As you know the tribunal has been in operation for less than a year and a very great deal of pioneering work has had to be done. A great number of companies don't like what has been done but the Government will introduce amendments to the Act - we have done so already in the last month - where those amendments are seen to be necessary or desirable. The Tribunal will be consulted on any amendments, as it was concerning the amendments which were made last month. But I don't want to comment on the operations of the Tribunal; it is properly constituted and it has been a very effective body indeed. But I am very happy to quote what Mr. Tony O'Reilly said about the Trade Practices Act. He approved of the Act. In fact it was modelled on two United States Acts, the Sherman and the Clayton Acts, and if it was applied with the same vigour and capability, it would sharpen competition, obviate monopoly, increase above-the-line spending, decrease below-the-line spending and frustrate discriminatory business dealings. Mr. Tony O'Reilly, you might have pointed out, is the head of the H.J. Heinz company, so while I don't want to comment about what he said on the Prices Justification Tribunal I am delighted to quote what he said about the Trade Practices Act. If it had been in a year longer, as it should have been if the Senate had passed it when it first got it, then obviously we would be in a better position than we are today.

QUESTION: I believe Mr. O'Reilly also had something to say about the way depreciation of capital assets was counted by the Income Tax Commissioner in regard to company profits. Did you also take note of that or not?

PRIME MINISTER: No, I didn't get that far. I don't know whether he said it but I don't remember seeing it.

QUESTION: Apparently, it was reported?

PRIME MINISTER: Well, I am going naturally on a paper of record, the Sydney Morning Herald. It doesn't report that.

QUESTION: Prime Minister, further down at the bottom of that article he talks about a proliferation of nuclear devices by hungry countries. Does that strike a chord with you?

PRIME MINISTER: I have said a few things, naturally, about the proliferation of nuclear weapons. I did so at the United Nations three weeks ago.

QUESTION: Do you see any possibility of speeding up the processes to introduce wage indexation?

PRIME MINISTER: This matter will be before the Conciliation and Arbitration Commission. I would expect a decision would be given before Christmas. We will be supporting the application as you know.

QUESTION: This morning Mr. Hawke called for a series of supplementary actions to the Budget including a cut in indirect taxes, a cut in imports, grants to the States to enable them to keep down fuel and transport costs and both tax indexation and wage indexation. How many of these things are you sympathetic towards?

PRIME MINISTER: These seem to be matters which were covered by the resolutions of the A.C.T.U. meeting of unions about three weeks ago. Several of my colleagues and I have discussed these with Mr. Hawke, Mr. Souter and Dr. Jolly. Discussions will take place on other occasions over the next few weeks.

QUESTION: Is the Government considering introducing a supplementary Budget between now and Christmas?

PRIME MINISTER: No.

QUESTION: Has any of the working parties set up after the last Premiers Conference held any meetings? Have you had any...?

PRIME MINISTER: Most have made reports.

QUESTION: They have made a report?

PRIME MINISTER: Most of them have made reports.

QUESTION: Are you going to make the reports public?

PRIME MINISTER: I'll consult with the Premiers about this.

QUESTION: Are there any worthwhile ideas flowing from these meetings?

PRIME MINISTER: Yes, there are. The State and federal officials concerned have made a very good examination of the matters which were referred to them by the Premiers and me.

QUESTION: Are you satisfied with the quality of advice and submissions flowing to your Government from the Federal Treasury, and are you finding them valuable in the fight against inflation and unemployment?

PRIME MINISTER: The Federal Treasury is one source of advice. My colleagues and I get advice from several sources and all of that advice is valuable and is given proper consideration. Treasury advice is valuable on many matters.

QUESTION: In relation to the CPIs yesterday, both yourself and Mr. Crean used the word "disturbing". Does the Government therefore intend to take any more measures...?

PRIME MINISTER: This matter is being debated in the House at the moment. I don't propose to duplicate the debate.

QUESTION: Are you leaving it all to the trade unions to show wage restraint?

PRIME MINISTER: I expect them to show wage restraint but it is not a matter for the trade unions only, quite clearly. I put the point about wage restraint yesterday to ACSPA, and also to the Miscellaneous Workers' Union - one of the very largest unions in Australia and one of the biggest three - on Monday of last week. But it is not the unions only. I believe that the discussions several of my colleagues have had with Mr. Hawke, Mr. Souter and Dr. Jolly will help to bring about wage restraint - what we are doing, for instance, to urge and support the case for wage indexation is one instance of that. As a result of discussions which have taken place between the Government and the various trade union organisations, ACTU and ACSPA, I believe there will be fewer and smaller claims for wage and salary increases. Most employees will find that their needs are satisfactorily and more promptly met by wage indexation.

QUESTION: Prime Minister, is there any possibility of changes to your ministry in the near future in the light of the economic problems? And, in particular, have you given any consideration to using Mr. Crean's considerable talents in another portfolio?

PRIME MINISTER: I would want to discuss this with the Governor-General before I mentioned it in this wider circumstance.

QUESTION: When does the Government intend to announce its plans for the development of the Northwest Shelf gas deposits in sufficient detail so that work which has been held up now for about nine months can proceed?

PRIME MINISTER: The Government hasn't held up any of these matters. It is the Petroleum and Minerals Authority legislation which has been held up again and again, of course; just as, for instance, were some of the regulations under the Atomic Energy Act. The Australian Government has been trying to get the necessary legislative framework to implement its resources policy, its resources program. We haven't held it up.

QUESTION: If this legislation takes another year or two to get clear of the High Court will there be no development until then?

PRIME MINISTER: I hope that it won't take another year to get clear of the High Court but we didn't take the matter to the High Court, as you realise. This bill was three times rejected in the Senate. It was passed at a joint sitting. It is now under challenge in the High Court.

QUESTION: When would you be seeing the Governor-General about any possible changes in the ministry?

PRIME MINISTER: Of course that was a purely facetious answer, as you know. I know 2SM is a fun station but I don't wish people to think that everything Laurie Oakes asks or every answer I give him is dead serious.

QUESTION: Hasn't one of the major pieces of the legislation involving the development of the north west shelf gas already passed, namely the Pipelines Act and isn't it a matter...?

PRIME MINISTER: That's under some challenge too, isn't it?

QUESTION: No, not that I know of. Secondly, doesn't the development hinge on two things that are not connected with the PMA, whether or not there should be exports and what price the Pipelines Authority should pay for the gas and when will answers be given to these questions which so far seem to have been delayed until 1981, instead of 1977, the bringing ashore of gas?

PRIME MINISTER: There are challenges in the High Court to all the Australian Parliament's legislation concerning offshore matters including, for instance, the Act which we got through the Parliament based on the bill which was introduced on Mr. McMahon's behalf when he was Foreign Minister in April 1970. There has been a long delay in getting the matter through the Parliament and now that it is through the Parliament there is a challenge before the High Court. Natural gas cannot come ashore for a few years yet. I think it is about four years.

Comment: Six years.

PRIME MINISTER: I didn't think it was that long, but nevertheless it is obviously not an imminent matter. There is plenty of time to make proper arrangements concerning the Australian control of this resource and a proper international price for it. The Government has successfully resisted the attempt to sell off Australian resources too cheap. You know that the world price for many of our potential exports, such as uranium, is now very much higher than the price which we contracted to sell it, or at least the price that our predecessors approved in the contracts to sell it overseas. In some of the matters where contracts came up for renewal we have been able to get a very much better price. For instance, the price of coal exports is now three times what it was when we came into office. So, by the time natural gas comes ashore, four or six years from now, we would certainly get very much better prices than people would have been disposed to settle for a year or two years ago.

QUESTION: You renewed your Government's commitment to full employment yesterday. In this context would you be prepared to impose quotas on Japanese car imports?

PRIME MINISTER: The whole of the Government's attitude towards the car industry is under examination. The IACs report was released as soon as it was got and there have been very full consultations - bigger consultations than have ever been held before - between Government departments and the various companies concerned. I wouldn't give an off-the-cuff reply to your question at this stage.

QUESTION: What stage have the Government's discussions reached on the uranium policy? Has the uranium policy been finalised and will it be ready in time for the visit of the Japanese Prime Minister, Mr. Tanaka, later this month?

PRIME MINISTER: This matter has been discussed between the ministers who went to Tokyo twelve months ago and I would expect that this matter, like the other exports which I was asked about previously, will be discussed when Mr. Tanaka is here. I expect that Mr. Tanaka is very interested in this matter.

We want to ensure that there are proper arrangements made for the supply by Australia to Japan of this resource, which we have in abundance and of which Japan stands very much in need, and I would hope that we would also discuss the possibility of enrichment of uranium or maybe together acquiring some technology to enrich uranium.

QUESTION: Which one of the mining companies would be the first to begin exploiting the deposits?

PRIME MINISTER: Well, let's tell them first.

QUESTION: Is not the production of uranium in Australia contrary to your policy on world pollution?

PRIME MINISTER: There are some processes concerning uranium which would produce pollution, that's true. I don't believe that our Government is carrying out any of those processes or has any of those processes in mind. We are very much aware, of course, of that aspect. I might add, because I was asked earlier a question here and I was asked also a question about it in the House this morning, about some of the uses of uranium under various treaties and so on. Now, we have made an arrangement with the International Atomic Energy Authority that we will not sell uranium to any country except under safeguards approved by the International Atomic Energy Authority. Accordingly, even if a country hasn't ratified the Nuclear Non-Proliferation Treaty it can still receive uranium from Australia under the safeguard arrangements we have made with the IAEA, so all these aspects of proliferation of weapons, peaceful uses, pollution are very much in mind in the whole of our uranium policy. There are some domestic matters such as pollution, Aboriginal rights and overseas ownership.

QUESTION: Disposal of radio-active material?

PRIME MINISTER: Yes, all those matters are obviously ones which we have to bear in mind, and when we are discussing which company will get the rights to extract or process or export uranium, we will obviously bear in mind overseas ownership and Aboriginal rights and environment.

QUESTION: Mr. Whitlam, can we clear up a misunderstanding. In your reply to my questions....

PRIME MINISTER: I don't think there was any misunderstanding by anybody else or by you.