

# COMMONWEALTH OF AUSTRALIA

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## SPEECH

BY

The Rt Hon. J. G. GORTON, M.P.

ON

# GORTON GOVERNMENT

## Want of Confidence Motion

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*[From the 'Parliamentary Debates,' 19 November 1968]*

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**Mr GORTON** (Higgins—Prime Minister) [8.25]—I had thought that, when a motion of no confidence was presented by the Leader of the Opposition (Mr Whitlam), there might have been some significant and reasoned argument on some major point of attack on the Government, that some matter of national importance might have been developed, debated and pressed home. This did not happen. In fact, nothing even remotely resembling it happened. Instead, the Leader of the Opposition scarcely even mentioned defence, although that was one of the terms of his motion. He put no views to the House on what our defence strategy should be now that Britain is withdrawing from east of Suez or what the composition of our forces should be. He did not even mention the war in Vietnam or indeed any matters of major national importance in this field.

**Mr Barnard**—When will you give us a statement on it?

**Mr GORTON**—All the Deputy Leader of the Opposition, who is now interjecting, did was to make a completely untrue statement that never before had a motion of this kind been moved without the Prime Minister of the day immediately replying.

The Leader of the Opposition, instead of developing some matter of major national importance, spent his time fluttering disjointedly from twig to twig, pausing to mouth a few words on such matters of national importance as the completion of a few miles of railway here, the need for legislation on sedentary fish—I wonder whether he proposes to fight the next election on the issue of sedentary fish—and something to do with the Snowy Mountains Authority planning the Eastern Suburbs Railway. He dealt, if dealt is the proper word—at least he mentioned them in passing—on my count with fifteen subjects in 45 minutes and dealt with none of them in a significant way at all. In his peregrination from twig to twig he managed to make a number of inaccurate and misleading statements, as is not altogether unusual. He claimed, for example, that no orders for defence equipment had been placed since 1965. My colleague the Minister for Defence (Mr Fairhall) demonstrated that that statement is not true. The Leader of the Opposition claimed that he and the House had been given no previous knowledge that the runway at Amberley for the F111 aircraft would need to be lengthened for training pilots.

**Mr Barnard**—When are we getting the F111?

**Mr SPEAKER**—Order! The honourable member for Bass has already spoken in this debate and will refrain from interjecting.

**Mr GORTON**—Let me go back, Mr Speaker, so that the interruption does not destroy the argument. The Leader of the Opposition claimed that he and the House had been given no previous knowledge that the runway at Amberley would need to be lengthened for training pilots in handling the F111 with all up weights. Hansard of 2nd May, which was quoted by the Minister for Defence, shows that that statement is untrue. The Leader of the Opposition had the naivety or the ignorance to suggest that the F111 aircraft would have their range of operations reduced because the distance between Amberley and the north coast of Australia would have to be deducted from the striking range of the aircraft. He completely ignored the fact, if he knew it to be a fact—and he should have known it because he was at one stage connected with an air force—that Amberley is the training centre and that Darwin is the centre from which operations take place. It is therefore not only ludicrous but misleading to suggest that this range must be deducted in this instance. Mr Speaker, I am sorry if a catalogue of the misleading statements of the Leader of the Opposition goads the Opposition into interjections of the kind that are being made, but it cannot deny the accuracy of what I am saying, nor can this brouhaha prevent what I am saying from being put on record.

**Dr J. F. Cairns**—But it is appropriate.

**Mr SPEAKER**—Order! The honourable member for Yarra is out of his seat and will cease interjecting.

**Mr GORTON**—To continue the catalogue, the Leader of the Opposition had the hardihood to claim, quite falsely, that in the year gone by nothing has been done for the sick, the poor and the old. What has been done in this year, or at least a part of what has been done in this year is this: Pensions have been raised to a greater level than was required by the rise in the cost of living.

**Mr Barnard**—What utter nonsense!

**Mr SPEAKER**—I have already requested the Deputy Leader of the Opposition not to interject. I suggest that he refrain from doing so.

**Mr Barnard**—What utter nonsense!

**Mr SPEAKER**—I must also inform the Deputy Leader of the Opposition that when the Leader of the Opposition was speaking he had the respect of the House.

**Mr GORTON**—I trust that after this catalogue he will lose the respect of the House. Indeed, I think he is beginning to lose it already. I was dealing with the misleading statement made by the honourable member who has the respect of the House that nothing has been done in the last year for the sick, the poor and the old. This is the beginning of the catalogue of what has been done this year: Pensions have been raised, I repeat, to a greater level than was required by the rise in the cost of living; assistance has been provided to families without breadwinners; an insured hospital patient will be covered for the full amount insured however long his stay in hospital; supplementary benefits have been provided to patients in approved nursing homes however long the patients may stay in the hospitals; there has been the initiation of a scheme to develop home care and related services; and we have increased the subsidy payable for approved home nursing services. Will the Leader of the Opposition rise in his place now and say that in this year nothing has been done, as he said previously, for the sick, the poor and the old? The honourable member must know—indeed, he has no excuse for not knowing—that these things were done. They were part of the Budget discussions; they were part of the Estimates; they were part of the discussions in this House. Yet he has the temerity to get up in this place and say that they did not happen and this from the man who used to talk about credibility.

The Leader of the Opposition even had the effrontery, as part of his case of no confidence, to say that the Government had refused to bring on debates on Tariff Board reports and the Government's oil price policy. This is what he told us as part of the attack on the Government, when he knows, or ought to know, that the arrangements made between the two sides of this House were that we should finish with the Bills before the House before the debates on these statements were brought on. If he does not know that, he should have known it. If he does know it, he should not have presented it to this House in the way he did. It is not part of my purpose—

**Mr Barnard**—These arrangements were not made, and the Prime Minister knows it.

**Mr SPEAKER**—Order! I warn the Deputy Leader of the Opposition.

**Mr GORTON**—He is slightly upset, I think. It is not really part of my purpose to follow the Leader of the Opposition down every manhole into which he may choose to disappear. Those who heard him could judge the effectiveness of his case for a motion of no confidence, and I believe that all who heard him will acknowledge, either privately or publicly, that this is the most ineffective case that has been made in the history of this Parliament, or probably of any other, on a motion of no confidence in the government.

But, Sir, I do want to discuss two matters that he mentioned in passing. He attached not as much significance to them as I do, but I want to dilate on them a little. One of these matters concerns the defence preparations and the other concerns the Government's oil price policy as announced in the House.

On defence the Leader of the Opposition said that 'the paper on the long term strategy, the basis of the Australian defence policy, had been in our hands for 12 weeks'. So it has. That is the first accurate statement that I have been able to find him make in the whole of his speech. The paper is concerned with various assessments of our strategic approach right into the 1980s, and an examination of the various circumstances in that period and what the future might turn out to hold in that period. Is it seriously argued, even by him, that 12 weeks is going to make a significant difference in an examination in that long term, in that long distance, in a matter of such complexity, when there are so many unknowns, so many imponderables—in some cases imponderables which are not yet clear but which may, and which probably will, become clearer over the coming year? But in the short term, the period up until the end of 1971, by which time the British will have withdrawn from Malaysia and Singapore, we decided in September in principle that we would retain in the Malaysia-Singapore area two squadrons of Mirage aircraft, two naval ships and an Anzac battalion, and that

we would participate in arrangements for the conduct of the jungle warfare school in Malaysia.

These countries know, and have known, of this decision in principle. I say 'in principle' because before that decision is made with finality we need to know, as any government would need to know, what assistance and support will be forthcoming from the countries in that area themselves. What arrangements will be made to man the radar to control the squadrons we will have there? What infra-structure will be provided in support of our ground troops, and where and in what barrack complex can they be most economically housed? These matters have been the subject of discussion between this Government and the Governments of Malaysia and Singapore. These are indeed matters which should have been discussed, and have been discussed, in regard to that period to the end of 1971. There has been no lack of thought, no lack of discussion and no lack of willingness to decide for this period.

But if the Leader of the Opposition is suggesting, as I think he is, from what he said, that precise longer term decisions reaching far into the future should be taken with finality now, taken in circumstances which in some cases are different from those which have ever prevailed before and, in other cases, may be different from those which have ever prevailed before, taken before those imponderables to which I have referred and which now exist are resolved with greater clarity, as I believe they will be shortly, I think he is advocating a completely irresponsible course for the Government of this country to take. I believe, indeed, that he is seeking to play politics with national survival, if this is what he is suggesting, and we will have none of it. The plain facts are that our defence forces are expanding. Much new equipment is still to be delivered. Manpower is being expanded to man that increasing quantity of equipment. We have lost in this field no ground at all. Indeed, the Leader of the Opposition has not even attempted to present a reasoned argument to suggest that we have.

The second matter I want to deal with are the allegations made by the Leader of the Opposition on the Government's oil pricing policy. He suggested in the House

this afternoon that there is some secret agreement in existence, and others have suggested that there has been generous treatment of Australian oil producers. There have never been, and there are, no secret agreements, and there has been in my belief no over-generous treatment of Australian oil producers. The arrangements made for the oil price policy have been publicly announced in this House and I have no reluctance at all in making available the agreement of which I spoke to this House. I ask leave of the House to lay on the table papers relating to the Government's oil policy.

**Mr SPEAKER**—There being no objection, leave is granted.

**Mr GORTON**—I lay on the table the following papers:

*Aide-Mémoire.*

Letter dated 14 November 1968 from Comptroller-General of Customs.

I do that with some satisfaction, because it was suggested—more than suggested—by the Leader of the Opposition in his speech that something was being held back; that either there was ignorance on my part or I was deliberately holding something back. I asked him to substantiate it then. He would not substantiate it then. Those papers substantiate the reverse now.

**Mr Connor**—May we have a look at them?

**Mr GORTON**—Of course you can. Now. It has always been the Government's declared policy that Australian crude oil, when discovered—

**Mr SPEAKER**—Order! The honourable member for East Sydney is interjecting. There are too many interjections. I have already asked honourable members to cooperate in this matter. This is a censure motion and is regarded by both sides as being an extremely serious matter. As I have pointed out, the Leader of the Opposition was heard in almost complete silence this afternoon. I think the same courtesy should be extended to the Prime Minister.

**Mr GORTON**—It has always been the Government's declared policy that Australian crude oil, when discovered, should be used in Australia and not left in the ground while overseas oil is imported to be used in overseas owned refineries in Aus-

tralia. I should have thought that the reasons for this were obvious. We want oil to be discovered in Australia and there is little incentive for this unless those who search for oil know that if they do discover it the Australian market will be available to them. We need to conserve our overseas exchange and the way to do that is not to have Australian oil in the ground while overseas exchange is used to import oil. That is the starting point of our policy. If it is to be challenged by members of the Opposition—if they do not agree with that starting point—let us hear from them that they do challenge it. Let us hear from the next speaker, who, I understand, is to speak on oil, that he disagrees with that basic policy. This is the starting point of our policy. We do want Australian oil to be used to the fullest possible extent to meet the requirements of the Australian market.

It was announced in September 1965 that all Australian oil producers—all Australian oil producers—would be given 67c Australian a barrel as an added incentive to search for oil and that this payment would apply up to September 1970. This has been done. In the case of small producers such as Moonie and Barrow Island all the additional cost per gallon of product together with freights from those oil fields concerned have been absorbed into the present Australian price structure without any undue increase of price to consumers or effect on the economy. But the discovery of very large quantities of oil in the Bass Strait fields on which 67c Australian per barrel was due to be paid would have added quite considerably to the price per gallon of product to the consumer and would have had an effect on the economy. Yet the commitment from the Government, publicly given, was that this oil, in common with all other Australian oil, should receive the 67c per barrel payment, and it would have been quite wrong for the Government to have broken its word and retreated from this commitment by unilateral decision merely because one producer had discovered very large quantities of oil. It was therefore necessary to see whether by agreement the projected rise in the price of petroleum products could be minimised and the 67c per barrel which the Government was committed to pay could be reduced or abolished.

In the result, this was done by free negotiation and agreement. The producers in the Bass Strait oil fields agreed to forgo altogether not only the 67c per barrel incentive payment but a further 5c per barrel as well. This of course meant a reduction of slightly over 2c per gallon in the price refineries would have otherwise had to pay for the oil, and a consequent significant saving to consumers of petroleum products. Do the members of the Opposition object to that? If so, let us hear about it when they speak. For its part the Government restated its policy that Australian oil must be used to the greatest extent possible on the Australian market—and that means to the greatest extent possible. We also stated that for a period of 5 years after September 1970 the price paid by refineries for Australian oil would be the posted price of overseas oil as at 10th October, less the discounts allowed as at 10th October, plus overseas freight and wharfage, and that the producers would bear the average cost of freighting crude oil from the customs port nearest the point of delivery by the most efficient and economical means possible.

Here it is important to note two things. Firstly, the Government did not agree to any finite price. The questions of fact of what was the posted price at that time, of what were the discounts allowed at that time, of what were the overseas freight rates, of what was to be the average cost of freighting oil around the Australian coast, were left for decision by a conference of the industry and all interested Government departments and, in the event of disagreement as to fact, by an independent arbitrator. This means that after September 1970 for a period of 5 years the price of oil to the refineries should be no higher than the price they are now paying except for any increase in the case of some refineries due to freight costs around the Australian coast. In other words, the cost of petroleum products as a result of the crude oil component should be stabilised for 5 years after that date.

It may be that prices of overseas oil or freights on overseas oil will fall during this period. It may also be that in certain circumstances, particularly considering conditions in the Middle East, such prices may rise. But the price of Australian oil will be

constant and at what it is now. Indeed, if it were not so it would be open to overseas oil companies to reduce their well head price to one which would seriously disadvantage the Australian producers—not one producer but all Australian producers. This policy will ensure that Australian oil is used. It will ensure the mere minimum of increase in cost to the consumer. It will provide producers and those who are searching for oil with a built-in incentive. If the Opposition objects to any of those things, if the Leader of the Opposition wishes to pursue his argument—and this is something concerned with a matter of no confidence—let them say so. Let them say so—they have not done it so far—on a number of matters which the Leader of the Opposition raised. On the question of defence, do they object to the statement made by me tonight, on behalf of the Government, of our proposals up to the end of 1971? Perhaps they do, because the Leader of the Opposition is on record as seeing no threat in that area—as seeing no danger whatever from subversion fostered by Communist China. He regards this as a false and fallible theory and something which cannot be tenable for a moment.

**Mr Barnard**—We reject your domino theory.

**Mr SPEAKER**—Order! I have already warned the Deputy Leader of the Opposition. I shall not warn him again.

**Mr GORTON**—The Deputy Leader of the Opposition is very quick to spring to the defence of his Leader. I anticipated that that there might be some lack of memory on the part of the Leader of the Opposition himself, but since it is a lack of understanding on the part of his Deputy I will quote what the Leader of the Opposition had to say on this matter. He referred to a disastrously superficial theory—

**Mr Uren**—When is the Minister for External Affairs going to enter into this debate?

**Mr SPEAKER**—Order! If the honourable member for Reid interjects again, I will deal with him.

**Mr GORTON**—In dealing with the question of subversion or of the threat of Communist China, the Leader of the Opposition said that it was a disastrously superficial

theory and that it was a fragile and fallacious theory. Indeed, if this is what he still believes, it would be as well for the House and for the country if he said so, because this must be one matter to be taken into consideration if he formulates an alternative defence policy, which he has not yet done. Let us hear what he thinks, and what members of the Opposition think, about another matter he raised—that is, the protection of a great Australian company, the MLC, from being taken over by unknown and undisclosed overseas sources. Does he object to this? He mentioned it in a speech directed to the motion of no confidence in the Government. He did not say whether he agreed or disagreed. Indeed, it would be interesting to know.

Let us consider the question of tariffs. Another member of the Opposition—who, I notice, during the whole of his speech did not mention the Leader of the Opposition by name—spoke on the question of tariffs at some length and attacked the Government on its approach. Mr Speaker, this is the Government's position on tariff policy as stated in this House, and on the position of the Tariff Board:

The Government has considered this report in the context of our established and well tried tariff policies. There has been no change in these policies. The Government is committed to ensuring the growth of a strong manufacturing industry which is in fact at the very foundation of the Government's population building policies. The development of manufacturing industry is encouraged in many ways, and most notably by means of the Tariff. The Government has always been prepared adequately to protect, and will continue adequately to protect, economic and efficient industries. The Government will also afford adequate protection to industries of high importance from the standpoint of our strategic or very vital national interests.

Tariff policy has been and remains the responsibility of the Government, both in general and in relation to every single decision. It will, of course—

I would hope that this would be true under any government—

continue to be the Board's role to advise—

Without instruction on how it is to advise—and it will continue to be the Government's role, in determining levels of protection, to decide whether or not it will follow the advice given. These have been our policies and they have served us well. We have no intention of changing them.

In case it should be thought that that statement of policy, as it has been suggested, might have led to a lack of confidence in

this Government by the business community, I point out that I have received today two telegrams from the Associated Chambers of Manufactures. These are the people who were supposed—according to the honourable member for Yarra (Dr J. F. Cairns)—to have been so upset. Let us see whether, in fact, what the honourable member for Yarra said was happening is happening. The telegram reads:

This telegram confirms firmest and most sincere expression of loyalty and support from the Federal President and Members of the Associated Chambers of Manufactures of Australia. Australian industry recognises your Government has diligently pursued important aims of economic growth and national and social development.

Would honourable members have expected that telegram, having listened to the speech of the honourable member for Yarra? Anybody who listened to him would not have done so. Would honourable members have expected that to support what the Leader of the Opposition put forward—that the business community was distressed at the way in which this Government was acting?

Mr James—Gee, you are a good bloke.

Mr SPEAKER—Order! The honourable member for Hunter will cease interjecting.

Mr GORTON—The terms of the motion are that the Government has failed to make decisions on matters concerning defence. That has been demonstrated to be untrue. A further term is that the Government has failed to make decisions on development. That received so little credence, even from members of the Opposition, that it has scarcely even been mentioned by any speaker on the Opposition side. A further term is that the Government has failed to make decisions on social welfare in the last year. That has been demonstrated to be completely untrue. A further term is that the Government has refused to debate such matters in the Parliament. Anyone who reads Hansard will be able to see with their own eyes that that is untrue.

Some reference was made during the speech of the Leader of the Opposition to young Lochinvar. If I remember correctly the ballad goes on: 'Through all the wide Border his steed was the best.' If we are to apply this to those who sit on this side of the House then I would gladly accept it as a reasonable description of those who

support me in this place. But what a weak and puling attack—

**Mr James**—Dear John.

**Mr SPEAKER**—Order! I can recognise the voice of the honourable member for Hunter almost anywhere, and I do not appreciate his musical efforts in the House. If he offends again, I will deal with him.

**Mr GORTON**—I do not appreciate his writing me a 'Dear John' letter; it is not at all appropriate. What a weak and puling attack this has turned out to be in the way it has been presented and, indeed, in the

way in which it has been spoken to by members of the Opposition. It is a broken winded, broken mouthed, broken down old crock of a motion put by a rider worthy of that kind of steed. If it has served its purpose, if it has served any purpose, I am convinced that it has not served the purpose of leading anyone to lose any confidence in what the Government has done and is doing, but rather it may well have served the purpose of showing up in stark relief what little confidence can be placed in an Opposition and a Leader of an Opposition who can present such a motion and support it in such a way.