

"MEET THE PRESS"

TELEVISION INTERVIEW GIVEN BY THE
PRIME MINISTER, MR JOHN GORTON, ON
CHANNEL 7, MELBOURNE

12 APRIL 1970

Panel : Reg Leonard
Vince Matthews
Trevor Sykes

Chairman : Frederick Howard

Chairman: The choice of an opening topic for our discussion with the Prime Minister was dictated by the echoes that are going round the country from the disorder in Parliament earlier in the week. Prime Minister, we would value your comments on that, and I would like also to have your opinion on whether there is behind this type of disorder some frustration and strain indicating that the Parliamentary system is not functioning these days as it should.

PM: You would like a comment first on the actual disorders? Well, the comment I would give is that disorders of this kind in Parliament which have not been seen in any Australian Parliament before and I think probably in no English speaking Parliament in the world, are not an attack on a government; they are an attack on the institution of Parliament itself. If this sort of thing were to continue, then the institution of Parliament would become unworkable, and if it did, then the best method of government with the opportunity for freedom and the opportunity for the provision of order would become unworkable and the whole process of democratic government would be attacked at its roots.

Q. Isn't one of the major problems, Prime Minister, the urgency with which the Government is trying to push through a pile of legislation and not giving the opportunity to the Opposition to debate this legislation?

PM: No, I don't think it is. I don't think in the Session of Parliament so far there has been any indication of an attempt to push through a great pile of legislation. There is a great deal there. It has been brought in. It has been left at the Second Reading stage and it must eventually be brought forward and debated, but I think that the functioning of Parliament must depend not only on the Standing Orders which Parliamentarians make, but on the way in

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which they are applied. Now, there is a requirement for a government to give to an opposition an opportunity to debate, an opportunity to move amendments, an opportunity to bring forward matters of public importance. This is a requirement. But there is also a requirement on the Opposition not to abuse the Standing Orders in order to prevent legislation coming forward, in order to waste time. And I believe that the Opposition in this case has in fact been seeking to abuse the rights they have in order to waste time. Can I give an example of that? One of the things that an Opposition should be able to do is to bring forward matters of public urgency which they think ought to be ventilated -- something is wrong somewhere and they want to make that public. And when that happens, always in the past there have been three or four speakers aside, by agreement, and then you have gone on to the ordinary Parliamentary business. And this is important, but it should only happen at spaced intervals. You can't have it every day. If it was done every day, then the time of Parliament would be taken up every day for the purposes of the Opposition, and this is what the Opposition have been trying to do. They have almost every day been bringing forward urgency motions expecting or hoping to have three or four speakers aside. And if that were permitted, then the business of Parliament would be taken out of the Government's hands. This is, I think, an attempt to abuse the right, and it forces the Government to gag.

Q. Apart from what they claim to be the over-enthusiastic use of the gag, the Opposition also claims that the Leader of the House broke undertakings. What is your comment on that? Is it so?

PM: Well, I am never a party to undertakings. They are made between the Leader of the House and the spokesman, whoever it may be - generally it is Barnard on the Opposition side. So I can't speak from direct participation. I can only say that I just don't believe that this has happened, and I haven't seen evidence produced that it has happened. It is claimed that there was an agreement broken in the necessary Constitutional one-day sitting, but I don't believe that was so, and there was a claim that on another occasion an agreement was broken. I have seen nothing to support that whatever. On the other hand, the Leader of the House tells me that there have been many occasions on which agreements have been made with the spokesman for the Opposition, and the spokesman for the Opposition has later come along and said "Sorry, I can't keep this agreement. I can't control my own boys." Now this is a sort of an argument between the people making the arrangements.

Q. But wouldn't the Opposition have more time for its urgency motions and the Government more time to conduct its business if the Parliament sat more often? There was quite a long break over Christmas.

PM: We had a long break over Christmas indeed, and I think that the results of that long break are probably showing up in the greatest legislative programme perhaps that has ever been brought before the Commonwealth Parliament. There is a need, you know, for Cabinet to sit with its advisers and to work out the details of the legislation which it wants the Parliament to pass. And the programme that was brought forward in the Governor-General's Speech reflects, I think, the work that was done in this direction over that break.

Q. Moving on to another field, Sir, it seems from Canberra these days that you are a much more confident Prime Minister than you were when you fought the election last October. Some of your closest advisers even insist that you are a changed man. Why have you developed this new confidence and what has been responsible for the change?

PM: Well, I don't know that I would agree that I was a changed man. I hope whoever it was that said it would agree that it was a change for the better. I am not sure, but I don't really think I am. I suppose one becomes more confident when one has won an election in one's own right, even if one has only just won it. We have a team of Cabinet Ministers which I have picked myself completely and I think it is a good team and I think it is working very well indeed. I think we have got a programme which has been brought forward showing just where we are going in defence, just what our goals are, what our foreign affairs approach is; and on the legislative side, the tidying up of a great deal of legislation, and the bringing in of such important things as the Health Bill, the Industries Development Corporation, offshore legislation for minerals, a whole number of things which I believe are quite important to Australia. Perhaps that is the explanation, I don't know.

Q. In contrast, last month only, I think it was, you gave an interesting interview in which you said one reason for your added confidence might be... "maybe I have a new philosophy" were your exact words. Now what does that mysterious sentence mean?

PM: Well, I think it means that one understands precisely what it is one is seeking to do in many fields - not in every field - one is convinced after long thought that the reasons for those goals are proper reasons, one seeks to get a team behind one and explain them to the Australian people and why they are good, and one says that as long as all this is done and genuinely done to one's own satisfaction, there is always going to be an awful lot of people who disagree with you and who criticise you on everything. Well, that's too bad. I am not going to let that grind me down any more.

Q. Looking at the Liberal Party, it was assumed when you came to power that you were determined to make changes within the Party and its philosophy and thinking. Is this assumption still correct? Are you determined to push the Party in the direction you think the events are moving it anyway?

PM: I don't know that any one man, even a Prime Minister, can push a Party in any direction that it doesn't want to go, but I think it is possible to get a Party rethinking, re-examining the basic dogma - if I can use that word - which it has had for such a long period of time, and I do want, and I think I have succeeded, in getting the Liberal Party to stand off and have another look at a number of things which had previously been taken for granted. And I think that this is good.

Q. Prime Minister, you mentioned just now, a couple of items that were on your agenda. The were things we intended to question you about, anyway. One was the Industries Development Corporation, as I see it in relation to our overseas credit, and the other was the Health programme. I wonder if we could look first at this Industries Development Corporation which I believe you have recently - two days ago - been talking about in Perth. Does it lend itself to a layman's explanation in simple words?

PM: Oh, I think it does, but I should give this preliminary statement. We believe that we must have overseas capital flowing into Australia for development and for processing minerals and for all the expansion which is required. We can't generate enough inside Australia and rather than not progress, it is much better to have overseas capital flowing in. Anything I say is not directed against an inflow of overseas capital, because this is essential, but there is a price to pay for the inflow of overseas capital -- there are great benefits but there is also a price to pay. There are the

requirements to pay interest payments overseas when the enterprise becomes viable. There is repatriation of capital. There are all sorts of prices which need to be paid. And we would like to keep that price as low as possible by seeing as much Australian participation in enterprises as is possible. Statistically, this isn't now happening. Statistically, the amount of Australian ownership and control in many industries is dropping, and this is due to either one of two things. Either there is no will in Australian industry for Australian participation and ownership. I discount that. I am sure there is and I am sure there is a will. Or there are not sufficient avenues by which the Australian ownership and control can be retained, and this is an attempt to provide another avenue by which this ownership and control can be maintained. You see, many of our smaller industries must expand. They have got to become more massive than they have ever been before if they are going to compete on the world with the big companies of the world. If they are going to be able to sell inside Australia with a minimum of tariff protection, they have got to expand, so they have got to get capital. Now, at the moment, very often they have to take in an overseas partner, maybe a majority partner in order to get that capital from overseas. We are seeking to set up a corporation to which a small company can go - a relatively small company in world terms - to which it can go and say "You, the Industrial Corporation have a status and a standing internationally at least as good as Comalco or Hamersley or any other of these companies. Will you, if you judge that our proposition is a good business proposition, will you try and borrow overseas capital for us so that we don't have to give away our equity", and this is the basic objective of this new exercise.

Chairman: Mr. Sykes, would you like to come in on this?

Q. How high is the danger that this corporation could be used as a political tool?

PM: The legislation will divorce the corporation entirely - it must, from any governmental or any ministerial control. The board of directors will be drawn predominantly from private industry. It will be required to make its judgments on the same sort of business judgements that any other private board of directors would make, and it is completely and utterly essential to the scheme - you put your finger on it - that it must be divorced from government control.

Q. Was there any thought when Cabinet agreed on this one that it was necessary because the Australian Resources Development Bank was not doing the job that it was set up to do?

Q. If the economy is overheated, the farmers suggest they are in a deep freeze.

PM: They are.

Q. What is the Government proposing to do about the plight of rural industry? Mr. Nixon addressed some farmers here and suggested he was taking a message loud and clear to the Cabinet. Was that message received loud and clear?

PM: You asked what the Government is going to do. One of the things we have done and one of the things for which we have been attacked by, I think, some rather troglodyte economists, is we have not raised the interest rate for the farmers because they are - that is for people who draw the major amount of their income from rural production - because they are in this difficult situation. You see the objective of raising the interest rate was to make money dearer, to damp down demand, to damp down requirement. Well, the farmers haven't got the demand, they aren't making the requirements, because wool is at the lowest price it has been since 1942, so we felt it was using a kind of a bludgeon to hammer people who weren't in fact putting out inflationary pressures. That is one thing that we have done. You asked me what we were going to do. Yes, Mr. Nixon and Mr. Fraser both brought back to Cabinet their reports of the meeting that was held in Melbourne. That meeting didn't put forward any proposals, you may remember. It just said "We would like things to be better, and it is now up to the Government to seek to put forward proposals". Well, what are you going to do? Take wheat, for example, you can't just go on growing increasing quantities of a commodity that the world market doesn't want. It is just impossible to do that, or that if it does want, it will pay a price that isn't viable. And so there, quotas on growth are coming in, and I believe that will reach a stage where the demand will meet the supply. Dairy-farming we are still seeking to iron out with the States and have almost reached the stage of reconstruction of dairy farms. Wool is a commodity which is different, because there the world does want it. There is no question that everything that is produced is sold, but they are not prepared at the moment to pay the price that is required for it. Now we have got to look into whether the marketing methods are sufficiently good, whether more could be obtained there, whether fringe benefits in the way of core testing and sample selling and these sort of things could be done, and we are waiting now on a report from the committee set up by the Wool Board on which we will finally do what we can to help this industry.

Q. Prime Minister, another section of the community which is rather hot and bothered is general practitioners and the health insurance. Can you tell us anything about the prospects of a compromise or a settlement with them?

PM: Well, all I can say on that is that we said that there should be no economic bar to a patient going to a specialist and getting specialist treatment if he needs it. That he should not, as he had in the past, have to pay the difference between a general practitioner's fee and a specialist's fee. He must be protected. And this we will not depart from. This must happen as far as the Government is concerned. Anybody who needs to have specialist treatment and who has paid his insurance should be relieved of the fear of great expense as a result. And differential rebates are absolutely essential. Now if there are areas in which we can have discussions - the general practitioners, I think, call it updating of rebates which in fact means periodic increasing of their fees, if these sort of things can be worked out, fine. But the basic thing is that we must continue to protect the patient. Now the general practitioners fear that if we do this, everybody will go to a specialist even to have a boil lanced or a toeache looked at or something of that kind. This is just a fear they have expressed. Only experience can show whether it will be true or not. I don't think it will, because even now you have got to wait awhile before you can go and see a specialist. If everybody went it would be weeks before you could get in. Also, I think people would trust and rely on their general practitioner family doctor. If that did happen, and I don't believe it will, we would be just as disturbed as the medical profession because of the cost to the taxpayer. We would then have to see whether there was some referral system that could prevent that. But basically, we have got to protect the patient as we said we would against the great cost of specialist fees.

Chairman: Could we now have just some quick, short questions.

Q. Could I just ask one, coming from the tropical North? We are interested greatly, of course, as other places are in offshore development of various kinds. Has your Government any specific programme (a) for control particularly and (b) for the preservation of Australian rights in these enterprises?

PM: In the enterprises which may enter mineral exploration offshore? Well, we are bringing legislation forward to resolve the question of who it is that has the sovereignty and owns the right over the sea bottom from low water mark to the continental shelf. Both the State Governments and ourselves now claim it. We are bringing legislation forward to put it beyond doubt. If it is challenged in the High Court, then that will be it. It will be settled. That would have to be decided before we could say yes, we had intentions of doing this, that or the other. But were it decided in our favour, then we would want to see two things. We would want to see that there was no danger from a conservation point of view, or a pollution point of view or changing the ecological balance point of view, and we would want, insofar as it was possible to see, that Australians had some share in anything that went on in that way.

Q. One quick one, Sir. Do you propose to go to New Guinea this year?

PM: Yes, I do. I can't tell you when, but I definitely wish to go at some stage before the end of the year.

Q. Another quick one. In the potentially menacing economic situation, when are we likely, if ever, to see an easing of the load on the middle income-earners - taxation load?

PM: Well, what we have to do is to make sure that the general economy grows but that inflation is restrained. This is essential, as I think you would agree. We have set forward our aims in regard to reducing taxation on middle and lower income groups and this is an aim which I think, as I said before, is an aim which we will achieve with responsibility, as soon as we can.

Chairman: A last quick one.

Q. Doesn't the imposition of higher interest rates just to put the brakes on inflation hurt a lot of little people?

PM: Well, it probably could be argued that it did. You might have housing in mind.

Q. I have.

PM: Yes, I thought you might have housing in mind. It could well be argued that it did, although I am told that in most cases the yearly cost to those people will not be greater but the period of time over which they have to pay off what they owe will have to be extended. But that has to be balanced against what would the cost to the house builder be if inflation were not to be checked in this way. The capital cost of each house to somebody who now moves in would rise considerably, and I think in the long run they would be worse off.

Chairman: Prime Minister, I am afraid our time for questions has run out. One of the easiest question times I am sure you have had!