

E M B A R G O : NOT FOR RELEASE BY ANY MEDIA BEFORE
8.00 PM, WEDNESDAY 4 NOVEMBER 1970

S E N A T E C A M P A I G N

OPENING SPEECH BY THE PRIME MINISTER

MR. JOHN GORTON

MALVERN TOWN HALL, MELBOURNE

Wednesday 4 November 1970

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Tonight I want to talk to you about the coming Senate Campaign.

I shall report to you on our achievements in the last year. I shall touch briefly on the further objectives we have in mind and I shall point out the great differences between Labor and ourselves in defence, foreign policy, and responsible non-inflationary internal government.

The result of a Senate Election does not usually affect Australia's future. But it is possible that this election could result in Labor's gaining a blocking half in the Senate - that is 30 Senators.

If that happened, Labor would not have power to do anything positive. But it would have the power to obstruct, frustrate, and delay all the processes of government. It could refuse supply, or defeat a budget. And I believe it would use that power, as it would use any power it could gain, to damage Australia's security, to destroy Australia's alliances, to disrupt Australia's economy - and to affect Australia's future very greatly.

Nevertheless, important though it is, the election is not really an occasion for us to advance a lengthy programme of new policies, or make new specific promises. The occasion for that was one year ago, at the General Election, when we put before you a programme, policies, and promises for a three-year period. And you elected us.

I can report to you that in the one year since then we have carried out most of the promises we said we would carry out over three years. I shall not weary you with a detailed list in this short address. But we have brought in a vastly improved health scheme. We have reduced the burden of direct taxation in one year by the amount we promised to do in three years. We have continued to protect and advance greater Australian ownership of our developing resources. We have greatly increased spending on education and on new initiatives in social services. And we have given the States a new financial deal by greatly increasing the funds they require for their own responsibilities.

These are only a few of the year's achievements. The complete list is much longer. For example, at the last election, we made 43 promises and already 31 have been carried out. I think that I can justly claim "that which we promise, we perform". "While they talk, we act."

We have additional objectives. We shall attain them as we can do so with financial responsibility. I shall refer to them later in this speech. And they are important.

But even more important is the harm which Labor would do to our security.

Let me first discuss with you the question of Vietnam. Why I think it was right, and in our interests to go there to help. Why I think it is right and in our interests to remain there until the Vietnamese are organised enough, and strong enough, to defend themselves.

May I remind you how this War began.

For a number of years after the Geneva Accords of 1954 the people of North Vietnam lived under their communist government and the people of South Vietnam lived under their non-communist government. The people in both sections lived in relative peace. That peace could have continued.

But the Government of North Vietnam was prepared to wage war rather than let the people of the South retain the right to choose their own Government and way of life. And the people of the South were prepared to accept war rather than have their right of self-determination taken from them - rather than have an alien government imposed on them by force.

And so the war came.

It came at first through an uprising armed and directed by the North and then through an invasion of the South by the North Vietnamese Regular Army. I do not ask you to accept this on my statement alone, for the present Deputy Leader of the Labor Party, Mr. Lance Barnard, has endorsed what I say. In May 1967 - after a visit to Vietnam - he reported publicly that there was a large-scale invasion of South Vietnam by North Vietnamese troops. "I am satisfied", he said, "that this is more than just a guerilla war and I suppose it can be compared with the earlier conflict in Korea".

So there was invasion. And the object of that invasion was to destroy self-determination in South Vietnam; to take away the people's right to choose how and under what government they would live.

Again, I do not ask you to accept this on my statement alone. For in his Evatt Memorial Lecture of 1966 the present Leader of the Opposition, Mr. Whitlam, wrote:

"It is, however, quite clear that victory by the Vietcong and Hanoi would destroy any hope of self determination in the South - as it has destroyed it in the North".

And this invasion was accompanied, as Mr. Whitlam has admitted, by "Vietcong brutalities and cruelties in Vietnam".

Don't you think it was right to help fight that aggression? Were we immoral to do so - as we are now told - or were the invaders immoral? Should we follow the dictates of Mr. Whitlam's present conscience and cease to resist invasion, the imposition of communist dictatorship, and the brutalities perpetrated, or should we continue to resist and finish that which we began.

Well, the invasion was resisted with the help of the Americans and of ourselves and other countries. It has been resisted for six years. And in that time the strength and purpose of South Vietnam has so grown that it is now able to take over more of its own defence; it has so grown that the Americans and ourselves have been able to reduce our troop numbers without endangering the objectives we sought.

It is possible for us to make this reduction because we stayed and fought when Labor was clamouring for us to withdraw. And because we stayed and fought it is now possible for President Nixon to offer a cease fire, an end to the killing, and negotiations designed to allow the South Vietnamese to elect their own government from the candidates of any political party - including the communist party.

Who then is immoral? We, who offer an end to killing - or they who insist on continuing the killing to achieve military conquest and who refuse a cease fire?

What does that present conscience, of which Mr. Whitlam speaks so much, suggest we should do? To continue to resist brutal and unprovoked invasion? To help a small nation retain the right to govern itself? Or to withdraw all our troops now as Mr. Whitlam presently demands.

If we did that we would betray the people of South Vietnam. We would negate the heavy sacrifices already made. We would be recreant to the hopes for future universal peace because future peace can only endure if small nations are not threatened with invasion and conquest.

We would destroy the confidence of the other small countries in Asia, and by doing that, we would increase the possibility of future danger to Australia itself.

We look forward to the day when, with South Vietnam able to guard its own independence without help, we can withdraw all our troops. That day is coming nearer as the military war is being won. But until it does arrive I suggest that morality, conscience, and self interest all require that we should finish the task we began.

But Labor under Mr. Whitlam would renege in Vietnam.

Having done this - and thereby increased the danger to other Asian countries including Malaysia - they would then withdraw from the Five Power Arrangements designed to help Malaysia and Singapore and at the same time they would drastically cut the strength of our own army by abolishing National Service.

We would be alone, with our alliances shattered, regarded as accepting no responsibility to help maintain peace in our region. And with our own army halved.

That is what I meant by saying Labor would damage Australia's security and destroy Australia's alliances.

And that is one reason I ask you not to give them the chance to do this damage.

RURAL INDUSTRIES

Australia has a new problem - new in scale - to solve. That problem is the plight of many of our rural industries.

Some have been hit hard by drought (in many sections of the Nation) - particularly by the tragic drought in parts of Queensland.

This has drastic impact on many individuals but it will eventually pass. It is not new. And we can take measures to help those who are hard hit.

In fact we have, during the past five years provided some \$94 million for drought relief - freight concessions, restocking loans, assistance with shire rates and so on - and we stand ready to support the States further whenever the cost of approved drought relief measures is beyond their resources.

But the problem of selling our produce on world markets now and in the future is far more serious. Many of our rural industries now find either that the countries of the world do not wish to buy their produce, or that they will not pay enough for it, to provide a living to the producer.

We have had hard pressed rural industries before. But what is new (about the present position) is that where rural industries were hard pressed before so was every other section of industry. Now rural industries alone are hard pressed while other industries, and other sections of the community, are not.

This does not come about through lack of help and support by Governments to rural industry in Australia: -

- . We have increased the superphosphate bounty to \$12 per ton:
- . We have extended taxation concessions:
- . We have introduced a drought bond scheme:
- . We have raised exemption levels in relation to estate duty:
- . We introduced devaluation compensation payments following the devaluation of sterling at the end of 1967... and to the 30 June 1970, payments made to rural industry totalled \$85 million:
- . In the last Budget we provided \$80 million for payments to woolgrowers whose income from wool fell by more than 8 per cent between 1968/69 and 1969/70 and who received at least 50 per cent of their gross income from wool.
- . We have increased the funds available to the Term Loan and Farm Development Loan Fund and made arrangements for the exemption of primary producers in adverse financial circumstances from the increase in the maximum overdraft rate approved by the Reserve Bank in March 1970.
- . The Government has under consideration at this moment a proposal for a stabilisation plan for certain exports of fresh apples and pears.

All this we have already done.

The result of the squeeze on rural industry is not a matter of concern to those industries alone. The country towns which depend on their prosperity are hard hit. And because those on the land are buyers of cars, machinery, chemicals, and a multitude of consumer goods this recession will be increasingly felt through the whole fabric of industry and commerce in Australia. Further, because the sale of rural products earns over 50% of our foreign exchange a decline in earnings will severely affect our overseas balances.

This is a national, not a sectional problem.

The solution must lie not in a withdrawal of the kind of help which is now given.

Rather does it lie in seeking new and different methods of assistance. Methods designed to ensure that the highest price which buyers are prepared to pay is in fact paid. Methods designed to increase the efficiency of handling, where possible, and reduce the costs of marketing.

Methods designed to help reduce the cost of production to the individual, efficient, grower - and not by means of subsidy.

An example of this approach is the Government's action to help wool growers - to help combat the disastrous fall in wool prices.

There we have secured legislative authority to set up the Australian Wool Commission.

The function of this Commission is not to set a high reserve price which buyers will not pay, and which could result in huge stock piles of wool and in manufacturers switching to synthetic fibres.

Its function is to operate a flexible reserve price, determined from day to day, in order to ensure that if buyers are prepared to pay a certain price they will in fact pay it and not be able to buy more cheaply because of the vagaries of the auction system.

Its function, too, is to regulate the flow of wool onto the market; to encourage the adoption of technological aids to wool selling such as pre sale objective measurement, ultimately selling by sample, and reduction in handling costs - thus ensuring the highest possible return to the grower without trying to defy the market.

My colleague, the Minister for Primary Industry has been working energetically on this. He has already chosen, after consultation with me, the members of the Commission. He will announce the names tomorrow.

We expect the Commission will hold its first meeting this week. We hope and believe the Commission will be operating the flexible reserve scheme within a few weeks.

This will help. But more is needed.

It would be an enormous help to many farmers and it would remove a constant worry from their minds, if they could be assured - when their circumstances justified it - of guaranteed long-term finance. If they had a loan for a term of years, instead of short-term loans or overdrafts on call, they could plan better for the future and would have a security they now lack.

We therefore propose to discuss with the appropriate financial institutions the setting up of a Finance Insurance Corporation to insure long-term loans to rural producers and to act in much the same way as the Housing Finance Insurance Corporation acts at present.

But I must emphasise that the key words in what I have said are "when their circumstances justify it". This is not a proposal to advance long-term credit to rural producers who may be in a hopeless financial position - or who may not be a good credit risk.

The Bureau of Agricultural Economics has been examining this proposal and has reported to the Minister for Primary Industry on it. We believe that it will work, that it will be of assistance of a new kind, and that it will be in the national interest.

There is an additional problem. That of existing farm debt. In a number of cases a load of debt is carried which is greater than the farmer or property can bear. This will require a programme of debt and property readjustment. I do not mean by this that we should adopt the slogan "get big or get out" because bigness is not of itself any guarantee of economy or efficiency.

But I do mean that the harsh realities of the world will require a policy of "get to a stage where you can produce at a cost that meets the market prices - or accept a lower income or leave the industry.

And if this is so then it requires that the community should help in the retraining and rehabilitation of those who, for one reason or another, cannot meet this criteria, and that the Commonwealth should work with the State to bring about that structural readjustment.

Just as I asked you not to give Mr. Whitlam the chance to damage our security and alliances so I ask you not to give him the chance to wreck our national economy.

35 HOUR WEEK

I have been speaking of the rural industries and of what has been done, and can be done, to assist them.

But one thing is clear. With their costs already high and their returns already fallen they would be dealt a crippling blow if Australia introduced a 35-hour week.

Under the Whitlam-Hawke partnership there is a real danger that this would happen if they had the opportunity.

And this would not only hit rural industries.

Introduction of a thirty-five hour week must mean one of two things.

Either those who now work forty hours would work only 35 and the volume of production would therefore drop, and the cost per unit of production would therefore rise. Or those who now work forty hours for a given wage would work 35 hours for the same wage and an extra five hours at overtime rates. In which case the cost per unit of production would therefore rise.

In either case the end result must be greatly increased costs. This would hit all those on fixed incomes; all on superannuation, all living on the income from investments, all pensioners.

It would raise the price of everything the housewife buys, and the transport and other public facilities she uses.

It would place Australia at great disadvantage in trying to sell our products on the competitive export market. It would raise the cost of building schools, hospitals, roads, houses, and the other services the community needs.

It would damage overseas confidence in Australia's future and impede the inflow of capital to help in our needed development. And even though this damage would have been done the worker himself would be no better off.

The most he could gain would be higher money wages - which because of the higher prices for everything he bought would not be higher real wages and would buy no more. It is hard to think of any action which would more damage Australia and Australians.

Yet Mr. Hawke of the A. C. T. U. has announced that 1971 will be the year of the 35 hour week. That is his stated aim. And Mr. Whitlam is bound, by the platform constitution and rules of the Labor Party to do all he can to help Mr. Hawke. For the platform, constitution and rules as adopted in August last year state "That conference considers that an effective political campaign be undertaken, in conjunction with the A. C. T. U. to achieve our objective of a 35 hour week."

Typically, Mr. Whitlam is now evading all questions on the matter. But he is bound to support Mr. Hawke by "an effective political campaign". I believe that if he had the opportunity he would.

He could do so by permitting statutory bodies over whom the Government had control to take the lead in introducing the shorter week. He could do so by exerting political pressure on those who determine the hours of public servants.

Above all he could do so, should a case be put to the Arbitration Court, by intervening and urging the Court to do what he is bound to do.

Well, we will not. We will use all means open to us to point out the disastrous consequences of such a step.

Whether or not the question is pending before the Arbitration Commission we shall publicly point out the economic consequences of the proposal. We shall publicly urge that it ought not to be entertained.

Mr. Whitlam and Mr. Hawke think it terrible that we should do this. I reply by paraphrasing the words of Mr. Trudeau - "If your hearts want to bleed over this, go ahead and bleed. It is better that you should than that the country should bleed economically because of you."

It is true that because of automation and the use of new machinery the same amount can be produced with fewer men, or in a shorter time by the same number of men. But surely this does not mean we should seek to work less for the same amount of production.

Surely what we need is **greater and greater production** from the same number of men, made possible by **increased automation**, so that real wages can be increased and so that the needs of the community - the public works and services of all kinds which depend on production - can be the more quickly and the more cheaply supplied to the community.

The time for less work has not yet nearly arrived.

Both the individual and the community have too many pressing needs and these needs cannot be met unless they are worked for.

That, at any rate, is our approach. And that is a point of difference between us and the Opposition which I ask you to consider at this Election.

SOCIAL WELFARE AND EDUCATION

Let me now speak of that field in which my Government has done so much.

The field of Social Welfare and of education. There are two promises, made at the General Election last year, which have not yet been fulfilled. I make no apology for this because no one could expect me to carry out all of a three year programme in one year.

Those promises were :

- To pay special attention to the needs of the low income family with young children.
- To tackle the problem posed because many people after paying health insurance contributions for many years, find that they are obliged to spend long periods under intensive care in nursing homes as distinct from hospitals, and do not receive hospital benefits.

I renew those promises and reiterate that as promised we shall act on these matters during the life of the Parliament.

The Minister for Health has been discussing with the Funds the question of long illness in nursing homes. And the Minister for Social Services has been studying the varying means by which our promise on the needs of the low income family can best be carried out.

In the field of education direct Commonwealth Government spending has increased from \$192 million in 1968-69 to \$312 million this year. And by providing a new financial deal for the States we have indirectly assisted the States to raise their spending on education to an expected one billion, three hundred and eleven million dollars this year - or almost 15% more than 1969-70.

I now announce a new objective to which we give very high priority. That is, the establishment of child care centres for children of pre-school age.

In Australia, as in other advanced countries overseas, married women - including those with children of pre-school age are entering regular employment in increasing numbers. Thus, in the decade 1960-1970 the number of married women in the work force almost doubled - from 9.3% to 18.3%.

We wish to ensure that the children of these women have every opportunity for the fullest development in both the emotional and physical sense. Studies made by the Department of Labour and National Service show that existing facilities to ensure this are woefully inadequate.

We therefore announce as an objective our desire to introduce a scheme to assist in the establishment and operation of child care centres of approved standard. In consultation with the organisations at present concerned with such child care - that is the State, Municipal and voluntary bodies which now maintain such facilities, we hope to work out guidelines and standards covering the nature of the accommodation, the equipment required, the staffing required, and the training requirements of staff needed for the effective conduct of these centres.

Further, we will discuss with employers the most effective means of providing incentives to employers to induce them to provide child care facilities. Overseas experience has demonstrated the value of the participation of employers in such schemes.

In the discussions we propose with State and Municipal and voluntary organisations we will be helped by the liaison already established by the Women's Bureau of the Department of Labour and National Service with many of the organisations to whom we shall be speaking.

A programme of this kind cannot be put into operation overnight but we shall begin it, and shall discuss with the States methods of increasing the numbers of pre-school teachers to staff the centres.

This does not mean that we believe the need for pre-school teaching centres generally is not important. But it does mean that we think the provision of pre-school centres for children of working - or sick - mothers should be the first steps we take in this area.

OFFICE OF THE ENVIRONMENT

There is a mounting, and justified, concern in Australia at the risks of environmental pollution.

Such pollution is not the inevitable by-product of advanced technology and population increase, but it does represent a failure to take fully into account the environmental consequences of our actions, and of the disposal of waste products by individuals and factories.

The results in Australia are not yet approaching the catastrophic results which are threatening to occur in the more heavily industrialised and more heavily populated countries.

But the time to begin to correct present pollution and to prevent increasing pollution is now.

The State Governments are showing an awareness of this and the CSIRO has been carrying out a wide range of investigations into environmental quality. It has indeed been engaged in some 48 projects concerned with such matters as studying biological control of insect pests as distinct from insecticide control - methods of treatment of factory effluent, control of the ash content of coal.

But in many cases pollution can best be tackled by a National Body - since, for instance, pollution of a stream in one State can lead to pollution of a river in another State.

We therefore have taken the decision to set up a Commonwealth Office of the Environment under the control of the Prime Minister's Department.

This Office will be responsible for advising the Commonwealth and recommending to us action that should be taken to prevent or reduce pollution arising out of the activities of any Commonwealth Department or Authority.

We shall also approach the States to seek the formation of a National Advisory Council to advise the Commonwealth, and the States, on action to be taken in areas where co-ordination can properly be achieved.

LABOR AND WHITLAM

You will no doubt have noticed Mr. Whitlam's accusations that we are divided and divisive.

Divisive, one of his favourite words, seems to mean refusing to do what he wants.

But I am surprised he would even use the word "divided".

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For we have against us a Labor Party openly divided as it has not been since 1954.

The Victorian organisation is in a state of chaos, more concerned with internal squabbling than with anything else.

A meeting to protest against Federal Labor intervention recently attracted twice as many people as Mr. Whitlam attracted to the opening of his campaign.

This Victorian meeting was to be declared bogus one week and given Federal Labor Party blessing the next.

The group of extreme left wing unions which has for years ruled the Labor Executive - the Trades Union Defence Committee - and those characterised by Mr. Whitlam as a monolithic, junta-ridden, and undemocratic group have not been defeated.

The struggle still goes on - and the odds are that Mr. Calwell's prophesy that nothing will change - will be proved right.

They are in disarray so complete, and so publicly evident, that one would imagine that the word division was the last word their so-called Leader would use.

As to their Leader - I propose to leave snide personal attacks to him. It suits him. After all who can forget the sophisticated wit and generosity of spirit he displayed, when, on Mr. McEwen's last day in Parliament, after a record career of real achievement for the Nation, Mr. Whitlam's contribution was to call out "let the lame duck waddle off".

But I believe it fair to say this. Mr. Whitlam has begun his campaign with a string of false statements.

He stated in his opening speech that we had placed unprecedented reliance on indirect taxation. This is false.

He said we had a 5% cost of living increase last year. This is false.

He said the Treasurer had "admitted" this. This is false.

He said our approach to the care of the sick aged is discriminatory and unplanned. This is false.

He said that Labor had proposed to recognise the National Liberation Front as a party to negotiations and that this had been accepted. This is false.

Labor proposed the N. L. F. should be recognised as a Principal party to negotiations, this has not been done, and the N. L. F. are regarded only as part of the Hanoi delegation.

He has since accused me of breaking a promise to legislate for portability of pensions - this is false. The legislation has been introduced into the House.

He has accused me of doing nothing to implement the construction of railways in South Australia. He states no money has been provided for this in the 1970/71 Budget. This is false. The Port Pirie/Adelaide Railway is held up, at the request of the Premier of South Australia, who has asked for further discussions. But the Budget contains an Appropriation of \$3 million for the Port Augusta/Whyalla Railway. It is contained in Appropriation Act No. 2, Division No. 890/2/05. At the moment tenders have been called, received, and are being considered.

I have not dealt with all his false statements. It would be wearying to do so.

But the credibility of the man, and of his campaign, might perhaps be judged by these tactics. Genuine grounds for criticism must be scarce if he is driven to invent them.

One thing more I would say.

Mr. Whitlam accuses us of judging the Australian people to be selfish.

Yet it is we who ask the Australian people to accept that there should be an obligation for National Service.

It is he who urges the easier course of abolishing it.

It is we who ask the Australian people to accept the burden of completing the task in Vietnam.

It is he who urges the easier way of immediate withdrawal.

It is we who ask the Australian people to accept the need to join with Britain, Malaysia, Singapore and New Zealand in a pact to help bring stability to our North.

It is he who urges the easier way of retreating to isolation.

It is we who place the defeat of inflation, and responsible management of the economy, amongst our highest objectives.

It is he who pursues the popular path of promising to do everything that anyone wants at once. Regardless of whether there are the men and materials to keep the promises, regardless of the effect on prices.

Who is judging the Australian people to be indolent, and selfish?

I suggest that we are not and that he is.

Which does not seem a proper course for this self appointed custodian of the national conscience to follow.

CONCLUSION

I have shown some of the differences between us and our opponents.

In Defence and Foreign Affairs and concern for the future security of Australia we are poles apart.

Domestically we are pledged to fight inflation and rising prices. Every utterance they make whether political or industrial supports action which will inflate prices.

We know the importance of rural industry to the economy and of the personal suffering which many engaged in some rural industries now face. Labor's leader devoted two lines of his opening address to this subject and, so far as I know, he has not spoken of it since.

We are pledged to preserve the right of dissent, except when that interferes with the civil rights of the majority, which we shall protect. A leading spokesman for Labor has stated that authority has had its day.

I believe that if these differences are understood you will give us the right to govern this nation in the years ahead as those of our persuasion have done in the years past. That is the right to govern in such a way that -

- . Our security against attack will be advanced, our internal economy will continue to provide full employment and rising living standards.
- . The war against poverty will be pursued until it is finally won.
- . The industrial and commercial strength of our nation will continue to grow.
- . Within a broad framework of governmental guidelines decisions will be left to individuals and not dictated by politicians and public servants.

We believe that in this decade Australia can make great advances towards freedom from fear:-

- . Freedom from fear of aggression from without.
- . Freedom from fear of being old, unwanted and uncared for.
- . Freedom from fear of unemployment.
- . Freedom from fear of being unable to meet the cost of illness.

We will not gain all we want at once. Nor will we gain it without working for it. But we have advanced towards the goal and given effort by Australians, and responsibility by Governments, we will advance still further.

We ask you now to let us take further steps towards this goal unimpeded by obstruction from a Labor Senate. We ask you - give us Government Senators - and let us get on with the job.
