

THE PRIME MINISTER'S PRESS CONFERENCE

AT PARLIAMENT HOUSE, CANBERRA

TUESDAY, 15 MAY 1973

PRIME MINISTER: (Answer to a comment). There is no Government which has made so many announcements in the Parliament. Not only what it was doing in the Parliament but what it was doing in collaboration with the States or with other countries. As you know we table promptly the minutes of all Commonwealth/State conferences and so on. The last such one was with the Premiers last Thursday, and I thought I would bring together what's happened since then.

The following day the Secretary to the Australian Treasury met with the Under-Treasurers from each of the States and they recommended as follows: there should be a main committee of Commonwealth/State Treasury officials at Secretary/Under-Secretary level. Secondly there should be four Commonwealth/State working groups. One on prices justification which the Australian Treasury would convene, another on restrictive trade practices which the Australian Attorney-General's Department would convene, a third on land prices which the Departments of Urban and Regional Development and Housing would convene, and the fourth on building costs which the same Departments would convene. Then there's a fifth working group on consumer protection under the control of the Minister for Science, Mr Morrison, as you heard the Premiers and me agree on Thursday afternoon. The working groups are to be convened as soon as possible this week. The main committee is to meet in Melbourne on Saturday 26 May.

Because the Cabinet met yesterday you've already been given information of the decisions that were made then.

Are there any questions?

Q: Sir, on this question of Cabinet decisions, you explained to the House this morning that you found it difficult to follow the line that you'd put while in Opposition about Cabinet decisions - Government decisions - being made to the House before they were made public. I was wondering, in view of what's happened over the last few days, could you explain to us why, if the Cabinet sits on Sunday you are unable to announce to the House any decisions that Cabinet has made before you hold this Press Conference? If the Cabinet sits on Tuesday morning and the House sits at 2 o'clock on Tuesday you are unable to announce to the House any Cabinet decisions before you hold this Press Conference on Friday. Would it not be easier for both the Houses of Parliament and certainly for us if the basis of these decisions were announced perhaps after Question Time two hours before you hold this Press Conference?

PRIME MINISTER: There's been one Cabinet meeting on Sunday.

The decisions were given to the Press that afternoon. There's been some on Monday, the latest yesterday, and the decisions were given to the Press that afternoon. I suppose it would be possible to announce the decisions of Cabinet on a Tuesday morning after Question Time on Tuesday afternoon. This would have to be done in the form of ministerial statements I suppose. But nevertheless there is no regular procedure for that to be done. I suppose one could always promote a question on the subject and give the information that way. But I thought there'd been no demur by any of the Press or any of the public to our announcing Cabinet decisions on the day they were made. Also announcing Caucus decisions on the day they are made. That was always what we did in Opposition. I would expect that you would expect - and that everyone in Australia would expect - we would do the same now that we are in Government.

Q: Prime Minister, following a statement made by Mr Snedden today, that he is quite happy to have a double dissolution over the issue of amendments to the Arbitration Act, and similar statements made by the D.L.P. and the Country Party can you say today whether you're quite happy to have a double dissolution on those amendments and if such an event will occur?

PRIME MINISTER: I don't know what the Senate's conduct will be in regard to any of the Government's Bills. I doubt if many of the Senators have made up their minds yet either. The fact is that there will have to be an election for half the Senate at some time between the first Saturday next July and the last Saturday in June next year. The whole question is whether, if the Senate makes the Government's business unworkable, there should be an election for the whole of the Senate and for the House of Representatives some time in that period. It would be many months before there can be such an election for the two Houses. As you know, there has to be the rejection by the Senate of a Bill from the House of Representatives or the undue delay of the Bill or the unacceptable amendment of the Bill. Then, after a lapse of three months, the same fate must befall the same Bill again. Quite obviously this would take some months. If the Senate takes the same attitude towards two of the Bills which have gone through the House of Representatives - the Electoral Bill and the Arbitration Bill - then that would be the first rejection of Bills of substance, and then those Bills, if they're put up again in three months time and rejected again, there would be the basis for a double dissolution, then, as you know if, after an election, there is a majority for the Government in the House of Representatives but not for the Senate there can be a joint sitting of the two Houses and they debate and decide the Bills which were the cause of the double dissolution. Now there are other Bills, of course, of substance such as the Sea and Submerged Lands Bill or the Pipeline Authority Bill or the Prices Justification Bill. I don't know what the attitude of the Opposition Parties will be to such Bills as that.

Q: Prime Minister, do you consider that the Government Party acted correctly in the Senate last Thursday in calling off for pairs in the Thursday evening debate?

PRIME MINISTER: This matter has been raised at Question Time in both Houses. I will say nothing about it now.

Q: Why not?

PRIME MINISTER: Because one of the protagonists is out of the country.

Q: Prime Minister, you've received a reply from the Government of Yugoslavia. Would you say if you are satisfied with that reply and if not why not?

PRIME MINISTER: I can say this: the Yugoslavian Ambassador handed over a note last Saturday in reply to the Australian note which was passed to the Yugoslavian Government on the 14th of last month. The Yugoslavian note doesn't provide all the information we were seeking. It reiterated however a willingness to provide details of the trials of the three Australians executed following their participation in an illegal incursion into Bosnia as well as further information about this incursion. Our Ambassador in Belgrade is pursuing this matter with the Yugoslavian authorities. He is also discussing the cases of other Australians about whom we have had representations or reports that they have been detained. Although the Yugoslavian Government insists that under the terms of The Hague Convention it is not obliged to give Australian Government access to dual nationals arrested and detained in Yugoslavia. The Australian Government believed that we had a right to this access on humanitarian grounds. I think I mentioned to you a week ago that I am referring to the Joint Select Committee on Foreign Affairs and Defence this question of dual nationality which affects scores of thousands of migrants, not only from Yugoslavia, but from many other countries, I suppose most of the countries which have the Roman Law - the Napoleonic Code.

Q: Sir, could you tell us whether you oppose or favour the construction of the proposed tower on Black Mountain and whether the Government is likely to make a decision on it soon?

PRIME MINISTER: I think the Government will decide this next week, at last, I think.

Q: Sir, the Treasury said in its paper on the economy last July that demand pressures of any sort must be removed before anti-inflationary measures can be successful. The Treasury now says there's a state of clearly excessive demand in the housing sector. Do you expect that the Commonwealth/State talks can achieve much in reducing housing costs while the Federal Government allows a state of excessive demand to exist?

PRIME MINISTER: The Australian Government has no legislation - no statutory authority at this stage to quell the excessive flow of funds into the housing sector. I think in the last year the amount of money made available to purchase or build houses has been 80 per cent greater than the amount available in the previous year. I don't doubt that the Australian Parliament can pass laws concerning financial corporations other than banks. It hasn't done so up till now. The great increase in funds has not come from banks over which the Australian Government already has statutory authority. The State Governments could

introduce in their Parliaments legislation to regulate the flow of funds from financial institutions other than banks. The Australian Parliament has already covered the banking field. Until it covers other fields, the States could certainly cover them. The answer is I think that any of the Parliaments in Australia could pass laws regulating the flow of funds into housing which has been responsible for the excessive pressure in housing in the last three or so quarters.

Q: Prime Minister, you mentioned that the Yugoslav Government hadn't given you all the information that you'd asked for in your note. I wonder if you could tell us what information they failed to supply?

PRIME MINISTER: I listed before Easter twelve names about whom we were seeking information. On the same day it transpired that one of them had been found and a couple of days later that another one had been found. We have no further information about the other ten, and that's the information which is being sought. There is a question on notice in the House of Representatives in fact about one of the three who were executed and about whom information was given by the Yugoslavian Government newsagency in the middle of last month, but we have no further information about that man yet.

Q: Prime Minister, Dr Cairns had talks today in Peking with the so-called Prime Minister Prince Sihanouk's Government in exile. Can you say if those were official talks and if they had your blessing, and what was the nature of them and can you say what is the official status of Prince Sihanouk with the Australian Government?

PRIME MINISTER: Prince Sihanouk has no official status with the Australian Government. He does usually reside in Peking and it is quite often that visitors to Peking encounter His Royal Highness.

Q: Prime Minister, Mr Hawke has announced today that the A.C.T.U. Executive has decided to go ahead with its total ban on French shipping, communications and manufactured goods from midnight tomorrow. He has announced the ban will stay in force until the French testing program is abandoned. He has also announced that the A.C.T.U. Executive will call on the Federal Government for maximum diplomatic and economic sanctions. Can you tell us firstly do you think this ban will achieve anything or will it hamper our Court case and secondly what is your attitude from a call from the A.C.T.U. for maximum diplomatic and economic sanctions?

PRIME MINISTER: The maximum diplomatic action has been in train for some months. If a ban on communications extends to mail and postal and telegraphic services it will harm Australia's case before the International Court of Justice. You've just mentioned the word 'communications' - I trust that postal and telegraphic communications are not covered by any such ban. Perhaps I should read you the telegram that I sent to all members of the A.C.T.U. Executive yesterday. It explains the overall position:

"Australia has claimed in the proceedings which have been brought against France in the International Court of Justice that the conducting by France of atmospheric nuclear tests in the Pacific is contrary to international law. Especially as a country that has invoked international law against France, Australia must at all times in her relations with France act in accordance with international law.

"This does not mean that there is no scope at all for union action against French nuclear tests. But when both Australia and France are parties to particular international agreements we must avoid placing France in a position to bring proceedings before an international tribunal against Australia alleging breach of an obligation that Australia has accepted in relation to France. We must also avoid the possibility that France, in the current proceedings in the I.C.J., could allege that we are acting in contravention of international law in other respects and are therefore not appearing before the Court with clean hands.

"I am especially concerned about the following conventions:

1. Vienna Convention on Diplomatic Relations
2. Vienna Convention on Consular Relations
3. Universal Postal Convention 1964.

"Both Australia and France are parties to and are bound by these conventions.

"We must under the Vienna Conventions avoid doing anything which would prevent or hinder the proper normal functioning of the French Embassy or the French Consulates in the States. This would include the protection of personnel and property as well as the facilitation of official communications.

"The Universal Postal Convention imposes on Australia an obligation to forward mails passed to it by the French postal authorities.

"As I have said, these are the international conventions that concern us most. I urge you most strongly to assist in ensuring that no action is taken which would involve Australia being in breach of her obligations under international law.

(Signed) E. G. WHITLAM

Q: Sir, has the Vatican refused to accept the nominated Australian Ambassador and what reason does the Vatican give and what will you do now as Prime Minister about this?

PRIME MINISTER: You would not expect me to make any comments on such matters even if they're true.

Q: Prime Minister, has Cabinet considered the Wheat Stabilisation Bill and if it has are you in favour...(inaudible)?

PRIME MINISTER: Yes, we've considered it and we have a recommendation on this matter for the Party tomorrow.

Q: Sir, do you believe that the Labor Premiers of Western Australia, South Australia and Tasmania are in breach of either Labor policy or the spirit of Labor policy in joining their Liberal colleagues in appealing to the Privy Council against your new Territorial and Sea Bill - Seas and Submerged Lands Bill?

PRIME MINISTER: Yes. Both.

Q: You believe they are in breach of both?

PRIME MINISTER: Yes.

Q: Do you intend to raise this in the Councils of the A.L.P. such as the Federal Conference?

PRIME MINISTER: No.

Q: Have you pointed it out to them, Sir?

PRIME MINISTER: They know it. They were at the Launceston Conference which resolved that the Commonwealth should legislate for regulation and exploitation of the Continental Shelf and offshore resources. An amendment was moved that the Commonwealth and the States should legislate. The words and the States - the amendment to that effect - was defeated so there's no question what the Party has said about this matter. As you know the Seas and Submerged Lands Bill and the Seas and Submerged Lands Royalty on Minerals Bill which Mr Connor introduced last week incorporate the Territorial Sea and Continental Shelf Bill which Mr Swartz introduced on behalf of Mr McMahon when he was Foreign Minister under Mr Gorton in April 1970 and the companion Minerals Bill which was promised at the same time. You'll also remember that in the speech the Governor-General made opening the last Parliament reference was made to both these Bills. The Governor-General in opening this Parliament repeated the same words so this is legislation which has been before the Parliament, which has been supported by the Liberal/Country Party Government over three years ago and now by my Government. It is a subject matter which was considered less than two years ago by the Federal Conference of the Australian Labor Party. There is no question as to the attitude of the Labor Party on this matter. Whatever the attitude of the Labor Premiers may be the fact is that the Country Party Premier of Queensland and the Liberal Premier of New South Wales would challenge the legislation anyhow.

Q: Sir, following from that, what is your reaction to the Premiers' decision to try to stop your moves to abolish the States' appeals to the Privy Council and your reaction to the Queensland Premier's so-called secession statement, as the time could be fast approaching when the links between the Commonwealth and the States would have to be reviewed?

PRIME MINISTER: I always knew there were terrific similarities between Mr Bjelke-Petersen and Mr Ian Smith. I think Mr Smith would represent about one-twentieth of the population of his State. Mr Bjelke-Petersen at least represents one-fifth of the population of his. This idea of secession, I must confess, staggered me. I hadn't heard of the idea since the early 1930's. It was suggested in Western Australia in the 1930's - the early 1930's - and Mr Bjelke-Petersen with his fine sense of history is reviving the idea. I've no doubt what the people of Queensland would say if they had a referendum on the question because in a referendum every vote would be of equal value and I've no doubt that the great majority of the people of Queensland want to remain part of Australia. You asked me about the Privy Council: the whole situation is of course that Australia is one of the very, very few countries in the world which allows legal disputes between its citizens to be determined in the courts of another country. The Privy Council sits in England. It's composed of judges who are appointed by the British Government. Its judgments take the form of advice to the Queen of England - not the Queen of Australia. The Australian States are still British colonies in this respect. Appeals can go from their Supreme Courts either directly or via the High Court to the Privy Council and this means that you can have three forms of appeal. You can appeal from a single judge of the Supreme Court - judge and jury - to the Full Court or the Court of Appeal of the State. You can then appeal to the High Court. You can then appeal to the Privy Council. This is the most ample, dilatory, extravagant form of appeal in the world. The Australian Labor Party has said for decades that appeals to the Privy Council should be abolished. Now what we are doing is under the Statute of Westminster passing a Bill in this Parliament requesting and consenting to a Bill in the British Parliament abolishing those appeals. It's the British Parliament which provides this method of appeal and the Australian Parliament is being asked to request and consent to the British Parliament giving up this form of appeal. This is something which the Australian National Government is entitled to bring up in the Australian National Parliament and to forward to the British Government so that it can bring in companion legislation in the British Parliament.

Q: Sir, what action do you propose to take if the unions do go ahead with the ban on French mail?

PRIME MINISTER: I won't assume that the relevant unions will harm our country's interest.

Q: Prime Minister, regarding this Commonwealth/State Committee - all the Liberal Premiers accepted the idea of the Committee on the basis that one of the facets of the economy we have would be wages and income, and I notice that the five sub-committees don't mention either wages or income. Are we to take that the main Committee will be looking at this?

PRIME MINISTER: The four Sub-committees and the Consumer Protection Committee - that's the five Committees all told - are, you'll notice, dealing with the five matters where I suggested State action could be taken. These were the suggestions I made. They were accepted by the Premiers on Thursday and the following day the Australian Treasury and State Under-Secretaries all agreed to set up committees on those subjects, so that's why there's no specific reference to prices or incomes. As I said at the Conference, we are anxious to do what is possible and to do it promptly and all these matters are things which it is possible for the Governments of Australia with their different political complexions to agree to undertake and I'm very pleased that they acted as promptly as they could on it. The biggest increase in prices is in the price of land and this is something about which the Australian Parliament can do nothing except in the Federal territories. It is something about which all the States can act without any limitation whatever. Section 92 doesn't impede State legislation in this respect because you can't take a block of land across a State border. Now all the States can do something about the price of land. The Commonwealth can do nothing. We are in fact inviting the States to co-operate with us in acquiring tracts of rural land which are due for conversion to residential land to acquire them and to develop them. We've already got the agreement of the New South Wales and Victorian Governments to do this in the designated area around Albury-Wodonga. Western Australia agreed to do this last Friday. Mr Tonkin and Mr Uren announced it then. The other States have not yet agreed to do it but that is the most that the Australian Government can do. It can help. It can provide the finance for the State Governments to acquire land on just terms and to develop it at cost but there is no way of land price fixation or freezing which is available to the Australian Government within the borders of the States. That's the serious thing that has to be done and it's the thing which now is being tackled I trust. But prices have gone up for land by a greater percentage than wages or interest rates or services have gone up.

Q: Mr Whitlam, will the Premiers get their way and will wages and prices be considered by the major Committee?

PRIME MINISTER: They may be. But as you know there's very little chance of getting price control introduced by the New South Wales Government or getting it through the Victorian Legislative Council. Income freezes similarly can't be brought about because as regards wages and salaries as determined by arbitration or by a Wages Board, if the States try to do that then they produce a flight to the Federal jurisdiction, and the Commonwealth Conciliation and Arbitration Commission can make awards in those matters over which the Australian Parliament can exercise no jurisdiction and of course the State Parliaments can't either. So it's being quite unrealistic to suggest that you can get a freeze on wages and salaries although there is a form of justification through arbitration there. It would be very difficult also to persuade the State Parliaments - Federal Parliament couldn't do it - to freeze charges for services or incomes from investments and in the material areas - the principal areas - of Sydney and Melbourne the big manufacturing centres - there is no chance of getting prices legislation through the State Parliaments.



Q: Mr Whitlam, are you prepared to hold a referendum to get the price control power through the Commonwealth?

PRIME MINISTER: See how we go with these things first. You wouldn't hold a referendum by itself. You might hold it in connection with a Senate election or a double dissolution, but price control in that sense, even if one got the power in this Parliament, would take a long time to set up the machinery.

Q: Sir, your northern friend, Mr Bjelke-Petersen, this afternoon at his own press conference declared that you were about to withdraw all Australian postage stamps with the Queen's head on...?

PRIME MINISTER: I didn't have the advantage of hearing Mr Bjelke-Petersen's press conference. I don't really see why you should publicise his press conference at mine. There is no proposal to take the Queen's photo off any of the Australian postage stamps. I notice that our republican predecessors put a great number of past Prime Ministers and artists and explorers on the postage stamps. Next century mine may be in some commemorative issue but no Labor Government has taken Her Majesty's photographs off the stamps.

Q: Sir, you've spoken today about mail with France. You've made a more or less kind reference to Mr Smith. I had a cable today from Johannesburg saying that there have been a lot of complaints in Salisbury that mail from Australia has been tampered and interfered with. As you know there is an injunction at present before the High Court, but pending that, can you say that you would frown upon any interference, no matter which way that decision goes, with private mail between two countries whether we recognise them or not?

PRIME MINISTER: The position of Rhodesia is covered by Security Council resolutions. I can't remember what they say about mail, but communications of other sorts such as airlines are certainly covered by Security Council resolutions. The present Australian Government will loyally support those resolutions. There are no Security Council or General Assembly or related bodies which have passed resolutions limiting mail or telegraphic services with France. There can be no question of the Australian Government's obligations to protect French missions and to provide postal facilities for France. The other matter that you mention about the proceedings in the High Court - that concerns the extent to which the Australian Post Office must provide services for the so-called Rhodesia Information Office at Crows Nest near Sydney. You'll understand I can't comment on that because it's before the Court.

Q: Private mail wouldn't be in that category surely between Rhodesia and France?

PRIME MINISTER: I didn't know that mail was not being delivered from or to Rhodesia, but I don't know what our obligations are under this. There can be no question of our obligations in regard to France. Our obligations in regard to Rhodesia are set out in the Security Council resolutions. I forget the details on that point.

Q: Sir, on the question of appeals to the Privy Council

one of the main complaints of the States is that you didn't consult them first. Can you say why you didn't do so?

PRIME MINISTER: The proper means of communication with Britain is through the Australian Government. It's a method which the Statute of Westminster envisages. Now if one were to ask the States one would get different answers and surely we aren't to contemplate the absurd situation where there can be appeals to the Privy Council from the Supreme Courts of some States and not from the Supreme Courts of other States. It is a humiliating and archaic process. It is insulting to our Judges that we still allow the States to be regarded as British colonies in respect of their Courts. The State Supreme Courts are well able to cope with all matters at that level of appeal and the High Court of Australia is as distinguished a Court as there is in the English-speaking world.

Q: Prime Minister, my question is about a number of points you made about inflation here today. Fortunately you had the Conference open last Thursday and I'm left with the impression especially after speaking to your officials that wages and incomes would be studied by the Committees. Do you think Mr Hamer might have left with the same impression or do you think that your eloquence persuaded him that it is unrealistic to pursue this?

PRIME MINISTER: Yes.

Q: Secondly, on the question of housing, Sir, you said that the Australian Government has no legislative authority to quell excessive flow of funds into the housing sector beyond the banking powers...?

PRIME MINISTER: I did say legislative and then I said statutory. I meant there is no Act of this Parliament dealing with that at this stage but I think I also said I trust there was the power to pass such acts but we haven't done them hitherto.

Q: The works and housing program, Sir - the housing agreement is due for negotiation and this is one of the areas where you intend to lift public spending. Am I right?

PRIME MINISTER: Not necessarily. The inflationary aspects in housing - the pressure on goods and services in housing has come from the increased funds being made available not under the Housing Agreement but principally by the Permanent Building Societies or by some of the Terminating Building Societies or to a certain extent by the Savings Banks themselves, but the public funds for building under the Housing Agreement - Housing Commissions - and the War Service Homes have not been responsible for any increased demand on housing. I would guess that the number of houses being built by Housing Commissions in the last twelve months is considerably fewer than the number built in the preceding twelve months. Now our whole effort in regard to public housing - Housing Commission houses - will be to see that they are made available principally to those who need them most, and - I forget the exact figures - there is a very rapidly increasing waiting list for Housing Commission

houses in Sydney and Melbourne in particular and, unless money is made available under much more direct conditions for those who need the housing most then there is no prospect of these families getting housing for a long time and there are tests in some of the States - they vary in intensity between the States - but there are tests in some of the States on economic and accommodation grounds. We want to see that those who need the accommodation most are first served.

Q: I just wanted to clear that point, Sir, because housing demands... (inaudible) ... between public and private. It's just an aggregate figure. What you're saying is that this Government has no intention of doing what the previous Government did when excessive housing occurred. They would cut back on their own housing program...?

PRIME MINISTER: No.

Q: Do you intend to keep that...?

PRIME MINISTER: It is most unlikely that we would reduce the number of Housing Commission houses or War Service Homes.

Q: ... and the particular influence you see where pressure could be brought to bear is the Permanent and Terminating Building Society people?

PRIME MINISTER: Yes. That is where the distortion has occurred in the last twelve months or a little less than that. I certainly don't subscribe to the idea that if more money is coming from private financial institutions for housing that you then cut back on Housing Commission houses. That just puts the people that can get housing from no other source further back. That is not responsibility of Government.

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