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PRIME MINISTER'S PRESS CONFERENCE,
PARLIAMENT HOUSE, CANBERRA,
TUESDAY, 26 JUNE 1973

PRIME MINISTER: Thanks gentlemen. The Cabinet sat in Sydney yesterday morning and afternoon and here in Canberra this morning. Most of the time yesterday was devoted to the briefing for the Treasurer, Mr Crean, and myself at the Premiers' Conference in Canberra next Thursday and Friday. Clearly, I can't give you any information or answer any questions about this because it is clearly portion of the general Budget situation. I can, however, give you several other decisions.

I think I told you last week that I had just received or was just about to receive Sir John Crawford's report on what we tentatively called a "Protection Commission" to succeed and incorporate the Tariff Board. We have decided to call this new body the "Industries Assistance Commission". There are copies available of Sir John Crawford's report from Mr Walsh. We have asked the Parliamentary draftsman, the Parliamentary counsel to draft a bill to incorporate the recommendations. This doesn't mean that the Cabinet has accepted all the matters in the report. We believe, however, that it will make for speedier legislation if we get a draft as soon as we can on the items which Sir John Crawford recommends. There is an inter-departmental committee consisting of the Prime Minister's Department, Treasury, Department of Secondary Industry, Department of Primary Industry and Department Customs and Excise which will be consulted by the Parliamentary draftsman to draw up alternative provisions in the Bill. When, therefore, Cabinet has before it the Bill and the various alternative provisions, we can make decisions on those aspects. Nevertheless, we did not want to delay public knowledge and discussion of the report and the drafting of the basic legislation based upon it.

We also decided to make further advances to the States under the Non-metropolitan Unemployment Relief Scheme to the extent of \$5 million for next month, \$4 million for August and \$3 million for September. The grants are to be allocated among the States on the existing proportionate basis. The matter can be considered again before September.

Dr Cairns will be giving you a press statement on multi-lateral trade negotiations to be held under GATT in Tokyo on 12, 13 and 14th September. He will also give you a statement on the additional items - he will be giving this statement at noon next Friday, because it has to coincide with a similar statement from New Zealand - about additional items to Schedule "A" of the New Zealand/Australia Free Trade Agreement. He will give you today, a statement on the Australian trade display in Peking in the latter part of next year, probably July.

The Minister for the Environment and Conservation, Dr Cass, will give you a statement on our decision to endorse the International Convention on trade in endangered species.

Senator Wriedt, the Minister for Primary Industry, will give you details of the Wheat Industry Stabilisation Scheme for the coming year.

The Acting Minister for Defence, Senator Bishop, will give you a statement on the development of the Nomad aircraft, and probably a statement on the G.M.H. dispute.

Are there any questions?

Q. Prime Minister: Are you concerned at the apparent delay in getting the Prices Justification Tribunal operating. When will the Government be appointing the other members of the tribunal and when, in fact, do you expect it to be operating?

PRIME MINISTER: We expect the Tribunal to come into operation on 1 August. We expect to make the appointment of the Deputy Chairman and the other members after Cabinet next week. I was discussing this matter with the Chairman, Mr Justice Williams, in Melbourne last Thursday. We all want to have the tribunal operating as early as possible. It will not be possible to get the staff together and to have the tribunal operating effectively before August.

Q. In your remarks before Question Time, you mentioned the G.M.H. dispute, did you mean the Ford dispute.

PRIME MINISTER: I did.

Q. Was the question of G.M.H. planning to close down its Adelaide assembly line discussed at Cabinet.

PRIME MINISTER: No.

Q. Was the future of the Australian motor industry discussed at Cabinet.

PRIME MINISTER: There was quite a discussion on this, yes.

Q. No resolution?

PRIME MINISTER: No. There will be discussions with the industry over the next six weeks.

Q. Would you be able to state those more explicitly?

PRIME MINISTER: No. No.

Q. Will they be with the Japanese companies?

PRIME MINISTER: Yes, primarily, but with other companies as necessary.

Q. I understand you saw the French Ambassador this morning. Did you discuss when the tests will begin, or get any indication when the tests will begin. Also, will you recall Australia's Ambassador in Paris when the tests begin?

PRIME MINISTER: I wasn't able to get any information whether or if so when there will be any nuclear tests by the French at Mururoa. However, as you quite well know, there is no statements made after calls or discussions of this nature.

Q. What about Mr Renouf?

PRIME MINISTER: I am not going to speculate on these matters. I hope, as I said last Friday night, that the French will abide by the interim order of the International Court of Justice. I will not speculate in any other sense.

Q. G.M.H. notified the Government on the 7th that they were going to increase their prices. What action did the Government take to try and prevent this increase coming into effect. If no action was taken, why not? What action will be taken now, and if no action is planned, why not?

PRIME MINISTER: The Tribunal will deal with this matter I would expect.

Q. Sir, Mr Snedden, 18 months ago, was carved into little pieces by you when he failed to take action over a steel price increase of which he had advance notice. How does this differ from that?

PRIME MINISTER: There is a tribunal which has been set up by the Parliament and it will be authorised to deal with this rise if it goes ahead.

Q. In your election campaign speech you said that a Labor Government would not hesitate to use its powers as a customer and through tariffs, subsidies and contracts to prevent unjustified price rises. If the tribunal finds that the G.M.H. rises are unjustified, will you then do as you said you would in your policy speech?

PRIME MINISTER: We would consider all those matters, yes.

Q. Sir, can I assume from your answer to me that you made no attempt to try and persuade G.M.H. to wait until the Tribunal came into operation or....?

PRIME MINISTER: I didn't hear about this until yesterday, but G.M.H. knows quite well that the Parliament has enacted this legislation. I would have expected them to have waited. We have acted as quickly as is possible, and, as I have told you already, it is not possible to get the tribunal in operation before August. And I had discussions with the Chairman on this, to repeat, last Thursday in Melbourne.

Q. On this question of motor car rises. I understand most of the other motor car companies have, in fact, increased their prices over the last couple of months. Will their price rises also be referred to the Prices Justification Tribunal?

PRIME MINISTER: I forget the details there. I don't think there have been any rises since the Parliament passed this bill. Isn't that right?

A. I'm not sure.

PRIME MINISTER: Well I don't think there have been.

Q. Sir, if the Acting Treasurer was notified of the increase on the 7th, don't you feel that you and/or the Cabinet should have been told, and have you conveyed this feeling - if you haven't - to the Acting Treasurer, Mr Stewart?

PRIME MINISTER: I accept that the Government was told this, but I would also expect that the company would have waited until the Tribunal was in operation.

Q. In reply to an earlier question on G.M.H. prices, you said "if it goes ahead". Do you have any reason to believe that they won't go ahead with their prices?

PRIME MINISTER: I would hope they wouldn't.

Q. Do you have any reason to believe they won't?

PRIME MINISTER: I can only go on what I have read. The Tribunal can deal with this matter.

Q. Sir, isn't there a similarity between a minister failing to notify you of this and a minister failing to notify....?

PRIME MINISTER: No. Another question.

Q. Sir, you say the Tribunal can deal with this. How?

PRIME MINISTER: It can have a hearing to determine whether the increase in prices is justified.

Q. But then what does it do, if it decides the increase is not justified? You told Mr Barron that you would think about carrying out what you said in your policy speech, the question of the Government as a customer.

PRIME MINISTER: Yes.

Q. In what sense is the Government a customer? Would you think about subsidies....

PRIME MINISTER: Yes. All those matters which Mr Barron mentioned. And there is also an impact on the public. The public is entitled to know whether a competent tribunal regards an increase in prices as justified. It may be the prices increase is justifiable.

But the company, I would think, should have waited until the proper body had had the opportunity to determine that matter.

Q. Was the company told that that tribunal would probably look at any rise....?

PRIME MINISTER: I don't know.

Q. Can your words today be taken.....?

PRIME MINISTER: I think we will have another one.

Q. Sir, why didn't the Acting Treasurer tell the Government that this price rise was going to take place?

PRIME MINISTER: I don't know. I would have thought that this is quite immaterial. The answer would quite clearly be, in any case, you should wait until the Tribunal has an opportunity to hear this matter and give a ruling on it.

Q. You said you would have expected the company to wait until the Tribunal was set up. The company says they waited as long as was economically feasible and that they weren't told when the tribunal would be operating. That seems like a reasonable....?

PRIME MINISTER: Well I didn't know until last Thursday when the tribunal would be able to operate.

Q. Well, how do you expect them to wait for an indefinite period....?

PRIME MINISTER: Well, they now know.

Q. Have they since been asked officially by the Government?

PRIME MINISTER: No. I haven't communicated with them, at any rate.

Q. Prime Minister, does this apply to all other companies? Is this in fact a price freeze that you are applying for all other companies which might want to put up the price of their products? Should they all now wait until the Prices Justification Tribunal is established?

PRIME MINISTER: I would hope so, that is, the companies whose operations would be a sufficient size to bring them within the scope of the tribunal and, obviously, G.M.H. is a company of that size.

Q. Other companies who now want to do it, if they do it, they will be referred to that Prices Tribunal when it is established in August?

PRIME MINISTER: It will be within its scope to deal with it.

Q. Prime Minister, would you consider a special inquiry now because of what's happened in....?

PRIME MINISTER: No. There is a tribunal to deal with this matter, as far as the Parliament is concerned, and it will be operating as early as possible.

Q. May I ask you Mr Prime Minister, what do you think of the non-aligned movement specially in view with the forthcoming summit in Algiers, and does your Government intend to be present at this conference, either as an observer or as a guest. And, if I may add another short question, what are the prospects of improving the Australian/Yugoslav relations? Do you think that some problems which in the previous years have been obstacles for better relations are now overcome?

PRIME MINISTER: Well, whether Australia is an observer or a guest at the non-aligned conference in Algiers will depend on the members of the conference. Australia can't be either an observer or a guest unless she is asked. If she is asked, then she would accept the invitation. Australia can't be a member of the conference because Australia is not a non-aligned country. Most of our neighbours, however, will be attending this conference. Now you ask about relations between Australia and Yugoslavia. I believe they are very greatly improved because the Australian Government has now made it plain that it will not allow Australia to be any longer used as a base for operations against the Government of Yugoslavia. There is one issue which Australia and Yugoslavia are discussing and that is the issue of dual nationality. The Yugoslav Government takes the attitude which is, I think, the usual attitude taken by countries in the Roman law tradition that a person doesn't of his own volition give up the citizenship of his country; the country itself has to agree to that.

There are a very great number, some tens of thousands of people who were born in Yugoslavia and whose citizenship has not in the Government of Yugoslavia's view been ended but who have become naturalised as Australians. Now, what Australia asks is, that if any of those persons having dual nationality are visiting Yugoslavia and would be in trouble with the law, then the Australian representatives should be informed because, in our view, they are also Australian citizens. This is a legal question of some complexity and it concerns a great number of countries, it is of interest to Australia because we have had so many migrants who, as we like them to do, have become naturalised. Now, this is a matter being considered, as you know, by the Foreign Affairs Committee of the Australian Parliament - both Houses - all parties are on that; this question of multiple nationality. But a very great advance has been made already, I am happy to acknowledge. We have been in the last month or so, given much more information about dual nationals who have been arrested or charged in Yugoslavia than had ever been the case before.

Q. Returning to this question of the G.M.H. price increase. You said that you have accepted that the Government was notified on June 7 that the increase was proposed. You said you know of no request from the Government to G.M.H. to hold back on an increase in price. You said that, yourself, you didn't know until last Thursday when the Prices Justification Tribunal would be operating and yet you have said that you would rather hope that G.M.H. would hold back on the increase until the tribunal was operating. In view of those dates being as they are, and in view of the fact that G.M.H. has stated, and has not been contradicted, that it has held back already on a price increase, do you think it reasonable to expect G.M.H. to have further held back on the increase in prices?

PRIME MINISTER: Yes, I do.

Q. Sir, now that G.M.H. knows the date of the tribunal, do you expect them now to withdraw the amounts of their price rises?

PRIME MINISTER: I hope they will.

Q. Will the Government officially ask them to do so, Sir?

PRIME MINISTER: No. Any citizen knows the law.

Q. Will they be contravening the law if they go ahead with the price rise before the matter is considered by the Tribunal.

PRIME MINISTER: I don't know. A tribunal will be available from the beginning of August to deal with such matters and if they put in an application now it would obviously be one of the first to be heard.

Q. Sir, has the law come into operation already despite the non-existence of the tribunal itself?

PRIME MINISTER: No. The act has been assented to but it comes into operation on a date to be proclaimed, and that date will be the 1st of August or the first week day in August.

Q. But surely that means that any price rises before the 1st of August are not subject to the tribunal?

PRIME MINISTER: We can look at the Act. I thought that it was possible to look at these matters retrospectively.

Q. Behind a lot of the pressure on prices is the high state of economic activity which seems to be approaching boom levels. Is the Government intending soon to apply some sort of correction to this rather head-strong momentum in the economy?

PRIME MINISTER: Well, obviously we will be wanting to restrain expenditures which are in the Government's jurisdiction. Conspicuously, of course, this will be the case in those matters which are covered by Dr Coombs' Task Force.

Q. And, in the private sector, Sir?

PRIME MINISTER: There are very great limitations on what the Australian Government can do in this field aren't there?

Q. Can I ask you whether the Government is still in favour of the 10 year moratorium on whaling.

PRIME MINISTER: Yes.

Q. Is our delegation fully informed of this?

PRIME MINISTER: Yes.

Q. Was there any discussion in Cabinet about it this morning?

PRIME MINISTER: No. There is a conference at which the Australian delegation will be voting in favour of a ten-year moratorium.

Q. Do you agree with the Victorian Housing Minister, Mr Dickie that latest Commonwealth Housing Agreement is unenforceable?

PRIME MINISTER: No, I certainly don't. I expect that any Government which signs an agreement will stick to the terms of it.

Q. Well, what action will the Australian Government take against Mr Dickie's statement?

PRIME MINISTER: I do not assume that the Victorian Government will not abide by any agreement to which it becomes a party. I'm certain that Mr Hamer would not sponsor or tolerate any such action.

Q. Could you tell us how preparations are going to put into effect the Government's promise to make interest on housing loans tax deductible.

PRIME MINISTER: No, I can't mention...I said right at the outset there will be no statement and no answers on any matters which might be in the Budget.

Q. But you are committed to have that in the Budget aren't you?

PRIME MINISTER: I can only repeat what I have just said to you. I will not answer questions on matters which could be in the Budget. Now, you all know that I must take that attitude.

Q. Sir, well this is a non-Budget one. Have you heard from Sir John Crawford? If so, could you give us any outline at all on his recommendations?

PRIME MINISTER: Yes, that was the first thing that I gave this afternoon.

Q. I was wondering if the Australian Government had decided who is going to be the next Chairman of the A.B.C.?

PRIME MINISTER: Yes.

Q. Could you tell me his name please?

PRIME MINISTER: No. You will know the new boss once there has been an Executive Council meeting. There were several recommendations which the Government made yesterday for the consideration of the next Executive Council, and this was one of them. I think you will be very pleased with the man we have given you.

Q. When will the Executive Council be meeting, Sir?

PRIME MINISTER: I'm not sure, I don't often attend it as you know.

Q. Prime Minister, last Friday two of your ministers raised the question of a capital gains tax. Mr Hayden said in Queensland he thought it was a matter which would be considered in the context of this year's Budget, Mr Crean thought it would not be considered for two years. Will it be considered in the context of this year's Budget.

PRIME MINISTER: I would love to oblige you, but I just have to be consistent even with my favourites.

Q. Are your ministers not bound by the same situation, because the public are quite confused by this?

PRIME MINISTER: They are now. I mean, you may find it more easy to seduce them with questions like this than you will me, but you won't seduce me with it.

Q. You have suggested to them that they should not discuss the contents of this year's Budget?

PRIME MINISTER: I've said that they should resist your enticement.

Q. They both made these in public speeches, Prime Minister?

PRIME MINISTER: Well, thank you.

Q. Prime Minister, I have just one abortive question. I don't think this has been discussed.

PRIME MINISTER: Don't bring this up.

Q. Do you think that Ministers should speculate in Canberra land?

PRIME MINISTER: No. But, however, I don't know what you are referring to.

Q. In view of your comments a month ago that these press conferences were a protection against a Watergate type thing in Australia, I feel justified in trying to seduce you further on the issue I raised earlier. This G.M.H. thing is the second occasion on which important advance information has not been passed on to you or the Government. Do you plan any action to try and make sure that a third such incident doesn't occur?

PRIME MINISTER: You all seem particularly interested in this. G.M.H. knows what the law is as much as anyone else in Australia, and when Parliament has passed an Act then, I would think, that companies as large and as prosperous as G.M.H. ought to give a good example.

Q. Unclear.

PRIME MINISTER: I'm not going to persue this any further. It is completely immaterial. General Motors knows what the law is,

Q. Well they have acted in accordance with the law, haven't they Prime Minister?

PRIME MINISTER: I wouldn't think so. They could wait until the Tribunal can hear their case, and if it is a good case, then they ought to be sure that it will succeed. But, at any rate, as soon as they put in an application, the sooner it can be determined.
