

THE PRIME MINISTER'S PRESS CONFERENCE
PARLIAMENT HOUSE, CANBERRA
TUESDAY, 18 SEPTEMBER 1973

PRIME MINISTER: Gentlemen: I do try to alternate these conferences between the morning and the afternoon but, frankly, it is impossible to get many in the morning. Today it is possible, so perhaps we can have preference for the afternoon papers.

There will be an Executive Council Meeting this afternoon, and there will be a few appointments and terms of reference approved then. So we might be able to give those to you this afternoon. The Cabinet met yesterday throughout the morning, and we finalised the legislation on Trade Practices including consumer protection. We approved legislation, which will now be drafted, to carry out the plank in the Australian Labor Party's platform which was inserted at the Surfers Paradise Federal Conference in July to establish an Australian Development Assistance Agency. We approved the drafting of legislation to set up an Australian National Parks and Wildlife Commission as in the terms of the Policy Speech last November. We made several decisions on tariffs. Perhaps it would suit you best, those who are interested, if I give you the text afterwards. They were in general terms: the application of the across-the-board 25 per cent cut in tariffs to those commodities where before that cut was made the Tariff Board had completed its report but the Government had not yet accepted the report, among the arrangements for preferential tariffs, particularly with New Zealand.

Are there any questions?

QUESTION: Do you see Mr Hawke's statements last night that you couldn't promise wage moderation....

PRIME MINISTER: I will say to you what I said in the House. I have got nothing to add to what I said yesterday.

QUESTION: Has the Government made any recommendation to the Reserve Bank to ask the Savings Banks to limit to 1 per cent any increase in home loan interest rates?

PRIME MINISTER: I haven't been in touch with the Reserve Bank since last Thursday morning. As I said at Question Time, less than half an hour ago, after Question Time last Thursday I saw the Governor and the Deputy Governor of the Reserve Bank. We discussed the interest rates to be charged by the Trading Banks. The Question of Savings Bank interest rates - the interest rates on deposits and on advances were not yet.... the whole subject hadn't been sufficiently advanced to discuss that then. Mr Crean will be doing any further aspects on that.

-2-

QUESTION: It has been suggested from time to time that your Government will seek to increase the High Court strength by new or additional appointments. Is this matter under consideration at the moment and, if so, when do you expect to be able to make an announcement?

PRIME MINISTER: It is not being considered. I have never heard it suggested. It would be possible, of course, under the Constitution to have the High Court consist of three people as it did when it was first established, or five people as it became before the First War somewhere about 1907, or seven people as it has been for the last generation. There is nothing in the Constitution which limits in anyway the number of judges on the High Court. The only provision is that any judge in the High Court is there for life so obviously there could not be a reduction in the numbers of any who chose to remain there. But this has never been suggested. It is true that the Supreme Court of the United States has nine members, and I think the Supreme Court of Canada has something like that, but I suppose you want me to express some view on the matter. Seven is, like any odd number, is useful because it avoids the chance of having an evenly divided court. There cannot, however, be separate divisions of the High Court - it has to sit as a whole and, accordingly, there is no particular point in having a greater number than seven. Some of the judges get tied up on hearing cases as single judges. As you know, however, we have approved the introduction of legislation for a Superior Court of Australia. Mr Nigel Bowen, when he was Attorney-General, brought in such a bill - the Parliament before last. We will make a few amendments to that bill, but when the Superior Court is established and in operation, then there will be less need for judges of the High Court to try cases alone. They will only have to worry about appeals. You will remember in the last sessional period, in autumn, we did amend the Income Tax Act to relieve the burden on single High Court judges in hearing appeals from the Commissioner of Taxation. That work has now been given to the Supreme Courts of the States, and we have co-operated with the States in augmenting their law libraries in the taxation field.

QUESTION: Do you see any need to put an age limit on the term of the.....?

PRIME MINISTER: One of the members asked me about this last Tuesday or Wednesday and you will remember from the form of his question, that if there is to be a retiring age for Federal judges - High Court judges, the Industrial Court judges, the Bankruptcy Court judge, then there would have to be an amendment to the Constitution. It is not a matter where the States could amend the constitution by reference. It is obviously a matter where the constitution would have to be altered by a referendum. I said in my answer to that question that I certainly thought it would be desirable to have a retiring age for all judges in Australia. The States have long ago provided for a retiring age for their judges and where Australian Governments have been able to apply a retiring age they have done so. They have done so for the Supreme Court of the Territories. They have also done so for the legal members - the presidential members - of the Australian Conciliation and

-3-

Arbitration Commission who have the honorary title of Mr Justice, or in the case of Miss Evatt, Justice. So everybody has agreed that there ought to be a retiring age for judges. Nevertheless, as I also said in my answer, it's not a very urgent matter. There are referendums required before this. When we do have such a referendum, we will probably also take the opportunity of amending the constitution to permit the High Court of Australia to do as the Supreme Court of Canada does - give advisory opinions.

QUESTION: Two questions on Chile: Will your Government recognise the new military regime in Chile?

PRIME MINISTER: Not yet.

QUESTION: Secondly, forty-four members of the Labor Party last week sent a telegram to the Chilean Ambassador in Canada protesting at what they called the illegal overthrow of the Allende Government. Do you agree with the sentiments they expressed?

PRIME MINISTER: Yes. You have the press statement I issued on that subject and you know that we have recalled our Ambassador from Santiago for consultations.

QUESTION: On the question of referendums. Does the Government now propose to introduce a bill for a referendum on the question of incomes and salaries?

PRIME MINISTER: Incomes is the usual word that is used in this context. If a Constitutional Alteration (Incomes) Bill is introduced in either House we will facilitate its passage and we will put it to the people together with the Bill which we have sponsored - the Constitutional Alteration (Prices) Bill.

QUESTION: Why won't you bring down the Bill?

PRIME MINISTER: If you have a referendum, then you want to have the maximum chance of winning it. I believe that there is a better chance of winning a referendum to allow the Australian Parliament to control prices than there is to win a referendum to enable the Australian Parliament to control incomes. But in both cases, as you must know, I believe, the Australian Parliament should be able to pass laws.

QUESTION: Would you join in writing the "Yes" case with Mr Snedden on the incomes one, or would you expect him to do that?

PRIME MINISTER: I'd help him.

QUESTION: Would it be a joint case though?

PRIME MINISTER: Oh, yes, I'd vote for it myself. None of you surely are in any doubt that I think the Australian Parliament should have confidence in such legislative matters. Surely nobody doubts that.

QUESTION: What I am getting at is would you campaign - both you and Mr Snedden campaign for this?

PRIME MINISTER: I won't go that far. Wait until the proposition is put. But I would vote for such a proposition myself in a referendum.

QUESTION: You say that you would vote for it yourself. Would you expect then that Mr Hawke and the A.C.T.U. would support you?

PRIME MINISTER: Some unionists would, some wouldn't.

QUESTION: Has Senator Wriedt reported back to Cabinet on the matter of meat prices and additionally, I understand that the Parliamentary Committee on Prices will be tabling its report tomorrow. When will Cabinet consider that report?

PRIME MINISTER: The Cabinet hasn't considered meat prices since Monday of last week. We decided to cancel the subsidy which is paid on the export of meat and we also decided to raise the levy on exports so as to pay for the brucellosis and tuberculosis eradication campaign throughout Australia. At the moment there is a campaign only in some States. But as long as brucellosis or tuberculosis can be found in cattle anywhere in Australia it hurts the product, whether we consume it at home or sell it abroad. But I told you all that last time and it has not been considered since. I believe the Parliamentary - the Joint Select Committee on Prices will be presenting a report this week in each House. Then we might consider it in Cabinet next Monday, but we couldn't do it before then. If the report only comes in say on Thursday, it would leave too shorter a time for Cabinet to consider it next Monday. In general, as you probably know, we have a three-day rule. If you can't get a submission in by Thursday night, its not considered by Cabinet the following Monday.

QUESTION: Has Dr Cairns given you a paper on trade with South Africa particularly where Government assistance has been set out? Has any consideration or decision been made on it? I remember you telling me at one of your very early conferences that you wouldn't boycott trade with South Africa because it came under an international agreement.

PRIME MINISTER: I don't remember any paper on this matter from Dr Cairns. There has been some discussion about a trade exhibition there and the forthcoming one will be the last. In general terms, however, we would not forbid trade with South Africa unilaterally. We will support, in the General Assembly or the other specialised agencies of the United Nations, any economic sanctions designed to bring down the South African Government as we have supported all such sanctions to bring down the Rhodesian Government or, at least, to have the South African Government abandon its objectionable policies. There are also some matters of international concern where the South African Government is acting in defiance of international law, for instance its occupation of Namibia, South-West Africa. They are in illegal occupation of

-5-

that territory. Now we will support any international sanctions to compel that Government to reverse its policies to vacate the territory, failing that, to bring the Government down. We will apply those sanctions if South Africa's major trading partners also do.

QUESTION: At midnight tomorrow night, radio and television stations in Sydney will be prevented from commenting on the Parramatta By-Election for three days because of the terms of the Broadcasting Act. Do you agree with this section, and do you intend to repeal it?

PRIME MINISTER: Didn't we try to repeal it last year?

ANSWER: You did, yes.

PRIME MINISTER: It's not a matter of very great urgency but the Party is against that ban. We think it's wicked that the A.B.C. shouldn't be able to comment on elections and that the private capitalist press should have a monopoly at that time. Please tell Mr Duckmanton.

QUESTION: If you get the prices power in the referendum, would you envisage land price control legislation along the lines of the South Australian proposal, i.e. setting a fixed return. Would it be more or less than the 7 per cent, or haven't you got that far yet?

PRIME MINISTER: I think the South Australian legislation is a model of the practical form of land stabilisation that can take place at the present time. It takes the form of limiting the increase in price of any land to 7 per cent in any year, plus any expenditure which has been incurred in developing the land. By contrast, as I mentioned in my speech introducing the Prices Referendum yesterday, land in Sydney in the last financial year rose by the average amount of 45 per cent. As I said in Question Time today, the price of land is something which is very clearly in the competence of any of the States because you can't carry a block of land across a State border. Therefore, Section 92 can't be a barrier in anyway to stabilisation of land prices. This is clearly one price where there is no component of wages, salaries or other income.

QUESTION: Do you think 7 per cent is fair?

PRIME MINISTER: In the present circumstances, yes I would think it was. But that, of course, could vary according to other conditions. You can't take these things in isolation and 7 per cent would seem to me to be a fair, practical increase at the moment. The other States are being terribly slow to introduce price stabilisation in land and one of the reasons is that their Budgets boom through the stamp duty on land sales. The stamp duty is related to the sale price, so the more there is an inflation of land prices, the more their Budgets boom. They have a vested interest in the inflation of land prices. We would be able to do this quite easily, quite promptly. When the Referendum goes through, we could do something like the Cities Commission legislation.

You would have the Minister for Urban and Regional Development authorised to introduce a Price Stabilisation Scheme after consultation with the relevant State minister in respect of any designated growth centre or any urban area for instance, which has been reclassified from rural to residential. There are those precedents in South Australian State legislation and in Australian legislation earlier this year.

QUESTION: Would you consider withdrawing your support for the acquisition of the incomes power for the Commonwealth if Mr Hawke reaffirmed his promise to restrain wages in the event of your acquiring the prices power?

PRIME MINISTER: I have got nothing to add to what I have already said in the House or here.

QUESTION: The Opposition keeps suggesting that you will have extreme difficulty and may find it impossible to prevent an increase in mortgage interest rates. Could you tell us whether the Government is having difficulty and what plans you have in mind to try and clear up the confusion that is in the minds of many people in the community?

PRIME MINISTER: There is no difficulty about this. Last Thursday morning the Reserve Bank Governor - Deputy Governor agreed to put it to the trading banks that there should be a smaller interest rate on mortgages than on other advances. And as you know, when the Reserve Bank issued this statement on Friday afternoon after the banks closed that was embodied in it. Now the same thing can be done about savings banks which are also subject to overall Australian Government control and, as an intermediary, control by the Reserve Bank. So there is no difficulty about this. As I quoted in answer to my distinguished predecessor today, there is an excellent precedent for this because in March 1970 the Reserve Bank agreed that there should be a smaller interest rate on advances to rural producers.

QUESTION: The Australian Development Assistance Agency. Whose jurisdiction does this come under?

PRIME MINISTER: It is stated in the platform of the Australian Labor Party. It will be responsible to the Minister for Foreign Affairs.

QUESTION: Are you still opposed to having a Premiers' Conference on the subject of inflation - a Premiers' Conference which might be able to work out some sort of deal on the transfer of power?

PRIME MINISTER: The proposition for transfer of power has been put several times and I have yet to see any movement by the eastern Premiers to refer such a power

-7-

QUESTION: I find a distinction between bringing pressure to bear upon a Government to change a wrong and anti-humanitarian policy and your rather extreme statement of saying "bringing down a government" over that thing. How do you reconcile this as it is a protection of people with your reluctance to criticise say the Soviet Government over its treatment of the minority intellectuals who are being gaoled in that country for.....?

PRIME MINISTER: A week ago in answer to a question by one of you, I did criticise the Soviet Government for its treatment of intellectuals. I did criticise it. It's not just.....there is a long tradition, I said, for 200 years of repression by successive Russian regimes of their intellectuals. I think it is a very unattractive feature of Russian Society, the communist one, the tsarist one before that.

QUESTION: If I may ask, Sir, did you mean when you said "bringing down a government" over things like that, is that not interfering with other people's affairs, which you yourself have objected to?

PRIME MINISTER: Of course, it's interference with the government of another country but that government does not represent the people of that country. I want it quite clear that I was referring to economic sanctions. Don't attribute to me any motive of using armed force. I believe that if all the major trading partners of South Africa were to collaborate, they could change the policy of that government or remove it. Similarly, if all the major trading partners of Rhodesia, Zimbabwe, were to be as loyal to international decisions as the present Australian Government is, that government would have been removed.

QUESTION: Is your qualification based on international law?

PRIME MINISTER: Yes. Decisions, resolutions, as I said earlier, by the General Assembly and the specialised agencies of the United Nations. I believe that any of this action is appropriately taken internationally. It is, moreover, ineffective unless it is taken internationally.

QUESTION: Two short referendum questions - yes or no answers.

PRIME MINISTER: Well I hope a yes to both - both referenda.

QUESTION: Will you allow a free vote on your side of the House if Mr Snedden does introduce a companion bill on incomes? Secondly, might it be possible for this to be achieved in the Senate if the D.L.P. produces its suggested amendment to your bill?

~~73-1269~~
~~73-108~~
73 127 A

PRIME MINISTER: I would expect that any vote that is taken in either House would be as a result of a collective decision by the Australian Labor Party. I am not quite sure what you have in mind when you refer to a D.L.P. amendment. Reading the papers, I see that there is a suggestion by a D.L.P. senator that there should be two referenda; one on the bill which I introduced on behalf of the Government in the House of Representatives yesterday to put the word "prices" within the matters upon which the Australian Parliament can legislate, and another to put the words "prices and incomes" in the constitution as among the matters upon which the Australian Parliament can legislate. I don't believe that it is appropriate to have a vote on two referenda on those terms because it is possible that both would be carried. Then you would have the constitution with one paragraph referring to prices and another paragraph referring to prices and incomes. Now that is inevitably a duplication and confusing. The better way is to have two referenda. One for prices, the other incomes. For myself, I would hope that both would be carried.

QUESTION: Are you in a position to announce the High Commissioner for India yet?

PRIME MINISTER: I think I have been asked questions about this before. I announce these matters without prompting. I won't delay any announcement on any of these matters.
