

PRIME MINISTER'S PRESS CONFERENCE

PARLIAMENT HOUSE, CANBERRA,

TUESDAY 11 DECEMBER 1973

PRIME MINISTER: There were a couple of appointments made in this last quarter of an hour by the Executive Council. Mr Jack Neary, MBE, is to be the Vice-Chairman of the Broadcasting Control Board. Mrs Anne Lowery a member of the Metric Conversion Board. There were several other decisions made by Cabinet yesterday which individual ministers have already announced. There is one which falls to me, it concerns the GATT Anti-Dumping Code. You will recall on the 7th November, Australia announced its intention to accede to the GATT Anti-Dumping Code. New legislation is required to enable accession, and the Government called for a report from Sir John Crawford and Mr Rattigan on what procedures should be established on the imposition of dumping duties in the light of the time limitations imposed by the Code. This report has been received and Cabinet has accepted its recommendation. The legislation will provide that the Minister for Customs and Excise may impose a dumping duty on any goods which he is satisfied are being dumped in Australia or are causing or threatening material injury to established domestic industry or are materially retarding the establishment of a domestic industry. If he requires independent advice, he may refer any such matter to the Industries Assistance Commission for inquiry and report. Provision will also be made for appeals to the Commission against the Minister's decision on a dumping complaint.

Are there any questions?

QUESTION: Could you give us the details of the deal that you propose to do on education - the deal I understand was discussed by Caucus this morning?

PRIME MINISTER: There was a meeting of Caucus this morning to discuss the general contingencies on the education legislation. Now I haven't got the full text, of course, of the resolution but in general it is in these terms: The Government wants the Schools Commission legislation to go through. It also insists on the general principle which was recommended by the Karmel Committee that there should be a reduction in 1974 on the amount which is to be paid per pupil to non-government schools in the highest categories and a further reduction in 1975. You mention a deal. I think there have been discussions between a Country Party former minister and also the Acting Minister for Education, and there may be further discussions. I also gather there might have been discussions between the Leader of the Country Party and the Leader of the Liberal Party. I forget which is now the blue-tailed fly or not. Was that an accurate report of the conversation?

COMMENT: Yes.

PRIME MINISTER: And you vouch for its accuracy?

COMMENT: I vouch for its accuracy.

PRIME MINISTER: Yes, there seems to be no doubt as to the authenticity of the reaction that it suggests. I mentioned the recommendations of the Karmel Committee in this respect and perhaps I should remind you what it said.

"The Committee believes that there are some non-government schools for which no case can be made on an overall relative needs basis for this type of Commonwealth support, i.e. equal per capita grants." That's on page 7. Now on page 71 of the report there are three passages which I think I should read to you setting out its recommendations. "The Committee judged that uniform per capita grants would be an expensive way of bringing about acceptable standards in all schools and would unduly delay their attainment. The Committee believes that Government aid cannot be justified in maintaining or raising standards beyond those which publicly supported schools can hope to achieve by the end of the decade. Category A schools already use a volume of resources that well exceeds the 1979 target, and the committee believes that Government assistance to these schools cannot be justified." You will remember that the amendments or requests made by the Senate was that in 1974 and 1975 there should be a minimum per capita grant to all non-government schools of the amount which was paid in 1973 under the 1972 legislation - \$62 per primary pupil, \$104 per secondary pupil. And against that for Category A schools, the Karmel Committee recommended \$40 and \$65 next year, \$25 and \$35 the year after; Category B schools, \$45 and \$65 in each year; Category C schools, \$60 and \$90 in each of those years. Now the Government regards it as basic that there should be a reduction in 1974 and a further reduction in 1975 for those schools whose educational resources are and by 1979 at the end of the 6 year period, would still be above the resources available in Government schools and the rest - the bulk - of the non-government schools.

QUESTION: The Government's legislation for the Schools Grants Bill cut out all grants to Category A schools as of the end of this year. Can I just clarify if the Opposition agrees to pass the Schools Commission Bill unamended in the Senate, would the Government consider restoring the phasing out of the grants to Category A schools under the Schools Grants legislation?

PRIME MINISTER: Yes, it would consider that.

QUESTION: I thought the Caucus had made a proposition?

PRIME MINISTER: No, I have given you the general principles. The Government wants the Schools Commission to be enacted. That has been put to the people in 1969 and it has been put again in 1972. There is no question that this is a principle to which we are committed, which the public expects and the Commission is along the lines of the Education Commission set up by our predecessors, the Universities Commission and the Commission on Advanced Education. It seems reasonable to have one on schools again. I also stated the general attitude of the Government that for those schools whose educational resources are above, and by 1979 it will still be above, the resources in the Government and the bulk of the non-government schools, there should be a reduction in 1974 and a further reduction in 1975.

QUESTION: How widespread do you believe the practices in industry of paying an extra week's annual leave?

PRIME MINISTER: In the metal industries it is now universal, and it has been applied in several of the State Public Services. If you want the details I can give them to you afterwards. I can't remember precisely which State Public Services apply an annual leave loading, some already do, and I can't remember precisely in which States Arbitration Tribunals have made such a provision for everybody under their awards. Queensland within the last month, the Queensland Industrial Commission, it made provisions for an annual leave loading for everybody under State awards, and I believe in the metal industries under Commonwealth awards there is provision for an annual leave loading. You are asking me that question because of the Government's decision relating to Australian Government employees.

QUESTION: You don't feel that the Commonwealth is too early in setting a pace for this?

PRIME MINISTER: In some respects such as the metal trades matters and this covers a great number of people say in the Department of Supply facilities we are well behind. People in private employment are already getting it and people doing the same job in Australian Government employment are not getting it.

QUESTION: What sort of Budget will be required for the Petroleum and Minerals Authority in order that it can do its job effectively?

PRIME MINISTER: Mr Connor, in introducing the Bill for the Petroleum and Minerals Authority, said that at least 50 million dollars a year would be available to the authority to prospect for petroleum and minerals in Australia. That is the amount of money which has been paid by the Australian Government on behalf of the taxpayers for exploration of oil and minerals up to this stage. The manner in which the Australian Government subsidy will be paid for oil and mineral exploration will be changed from subsidising companies - very largely overseas companies - Australians who subscribe often did so as a form of tax dodge. It will be changed from that method to expenditure by the Petroleum and Minerals Authority.

QUESTION: After Saturday's referenda defeat, do you still intend to go ahead with your four referendum proposals when the next Senate Election is held?

PRIME MINISTER: Yes. Three of those proposals, of course, were put in the policy speech and are in the party platform. Another, the one concerning votes for referendums in the two territories and also requiring a majority not only over the whole of Australia but just in three States instead of the present four that flows from, I think, universal suggestions which have been made for many years past. Then there will be a fifth bill for a referendum put, I suspect, when we assemble next year. That is, the one which we are discussing with the States to make it easier for the Australian Parliament to refer matters which are in its exclusive jurisdiction to the State Parliaments as well, of course, as to make greater provision for the present section of the Constitution which says that the State Parliaments can refer matters which are in their exclusive jurisdiction to the Australian Parliament.

QUESTION: Will you agree to participate in a Conference with the States on prices and incomes as proposed by the Premiers of New South Wales and Victoria?

PRIME MINISTER: I know nothing of this proposal except what I hear on the A.B.C. and, of course, I am inclined to believe it must be authentic for that reason, and also in the newspapers but I have received no communication from any of the Premiers on this subject. If it is a matter concerning prices and incomes they don't have to wait on any Australian Government initiative to get together. They have the power, still. They are able to meet whenever they wish to discuss it because there is very little that we can contribute to the exercise of any such power. We can do it for the Northern Territory and the Capital Territory but that's all.

QUESTION: On that subject, have you heard at all from the South Australian Government in reference to its offer to give you power over prices and incomes on a trial basis?

PRIME MINISTER: That offer has been repeated, I gather, but it has been open for quite some time. You will remember that at the Constitutional Convention in Sydney in the first week of September, I raised this very matter and I said that we would be happy to have a reference by the States to the Australian Parliament of the power to pass laws with respect to prices, and I said if they preferred, then that could be done just, say, for a year or a period of years. I pointed out that any such reference, in order to be effective, would have to be made by at least the two larger States, New South Wales and Victoria, because they produce so many of the basic commodities which effect prices not only in their States but in the four smaller States which import those basic commodities from Sydney, Melbourne, Geelong, Newcastle and Wollongong. There is no difficulty, of course, as I pointed out at the time, it could have been done within a week of getting those references made by the New South Wales and Victorian Parliaments because the Government in each case has a majority in the Legislative Council as well as in the Legislative Assembly. Now the three smaller States which have Labor Governments do not have a majority in the Legislative Council of those States. It may well be that a Bill referring prices powers to the Australian Parliament would go through those Legislative Councils if the large States, New South Wales and Victoria, were under Liberal Governments, to refer those matters to the Australian Parliament. I don't know quite what the attitude of Queensland would be, because Queensland's Premier is sui generis. He is not Labor, he is not Liberal, and I gather, again reading the papers, although I don't think the A.B.C. ventures to say so, that he wouldn't attend any conference that was sought by Liberal Premiers.

QUESTION: Just on the education grants matter again. What degree - what rate of phasing out would be acceptable to Caucus in relation to Category A schools? Would the rate of phasing out that is recommended in the Karmel Report be acceptable to the Government? Have you received any offer of any form from the Liberal Party?

PRIME MINISTER: I have not spoken to any member of the Opposition Parties on this at all. Mr Bowen has spoken to one Country Party former minister, but that's all I know. I want to see what the proposals were. There must be a reduction as I say in 1974 and a further one in 1975 for those schools which, as the Karmel Committee said, can't justify Government assistance at the present scale or at all in their view.

QUESTION: I understand you told the Caucus this morning that you had no intention of being a lame duck Prime Minister. You also spoke of the necessity of demonstrating that you had the respect of the people to preserve the international standing of the Government.

PRIME MINISTER: I wish I could say it as well as you can.

QUESTION: Do you think the international standing of the Government is at risk at the moment, and could you tell us what you mean by you have no intention of being a lame duck Prime Minister?

PRIME MINISTER: What I mean is this: I see no point in being in office if one can't achieve things. Obviously anybody in this job enjoys it but there is no point in just enjoying the prestige if one can't deliver the goods, and there can't be any subject on which the Government relied so much to become a Government as some of the matters which the Senate is delaying at the moment; such as schools and health and trade practices and overseas control. Australian control of our resources, equal opportunity for Australians, were quite basic to what we proposed for the people in 1969 and again in 1972, and it is, I believe, essential that we be able to carry out some of those things which we undertook to do.

QUESTION: Have those referenda results harmed your electoral prospects at all?

PRIME MINISTER: No, I don't think referendum results can be equated in any way with election results. There is, of course, one particular thing which would distinguish an election campaign, particularly for the House of Representatives, where the results determine who is the Government, and that is we are positive or constructive in what we would put as we have been in what we have put. Pure negativism may be sufficed to beat a referendum. It won't, I believe, these days suffice to make an Opposition into a Government.

QUESTION: I understand that there is a D Notice Committee meeting today.

PRIME MINISTER: That is right.

QUESTION: What is your personal opinion on D Notices? Do they need to be revised or are they alright. I gather you have carried on the same D Notice system as the previous administration?

PRIME MINISTER: We are reviewing the system as you know, that's why your bosses are here in Canberra today talking - well, when I say your bosses, I mean your editors. I don't say their bosses are here, but your editors are here and they are conferring with some of my colleagues and I am taking them to dinner tonight. We will have the long spoons. I dare say D Notices will be mentioned. The D Notice system operates through the media.

QUESTION: But with Government guidance?

PRIME MINISTER: Co-operation. There is no law which governs the D Notice system and as some of you know quite well, you can defy the D Notice system. The only sanction, if you defy the D Notice system, would be that you wouldn't get information - your newspapers,

stations, wouldn't get information from the Government if you broke an arrangement which you made with the Government about the subjects concerned, but there is no criminal sanctions involved at all. There is no law broken, it is purely a matter of understanding or honour, if you like, between the medium and Government departments.

QUESTION: But you lay down what is covered by a D Notice?

PRIME MINISTER: It can only be done by agreement. The Government can't say to any newspaper or station "you will not publish this". It can't, there is no law which enables it to say so. The only arrangement is a voluntary one between the medium and the department.

QUESTION: You spoke a moment ago of your desire to keep achieving your policies. In view of the negative history of referendums, do you think you have really any chance of getting these next ones through at the Senate elections?

PRIME MINISTER: Yes. I believe that we have too easily accepted the fact that the people won't modernise the Australian Constitution. It is a grossly inadequate Constitution. But the best efforts of the Government and the editorial writers for those newspapers whose editorials are read, all went to no avail last Saturday. Every editorial on the subject in the Age and the Sydney Morning Herald and the Canberra Times and the Financial Review and the Murdoch papers were all in favour. They agreed with us for once, yet it wasn't sufficient. See, there was no referendum between 1951 when Mr Menzies lost his only referendum and 1967 when Mr Holt won one and lost one. In the 1940s there were several referendums put, Mr Curtin lost one in 1944, Mr Chifley lost two and won one in 1946 and he lost one in 1948 and then in 1937 Mr Lyons lost two. But I think the last one to be carried before that was in 1928. I think we ought to be more diligent and regular in enabling the people to modernise the Constitution. I think if you face up to the facts and do it regularly they are more likely to accept the procedure which the Constitution itself laid down. There is no other way you can alter the Constitution. Every Parliament in Australia, State and Australian Parliaments, could agree and you would still need a Bill to go through the Australian Parliament or at least twice go through the House of Representatives and the people to approve that bill at a referendum. That is the only way we can alter the arrangement.

QUESTION: Can you tell us when the dispute between Mr Uren and the NCDC will be resolved and....

PRIME MINISTER: May be today.

QUESTION: You will recall that the McMahon Government set up an independent research group at the A.N.U. to study all aspects of Federal/State financial relations. We have heard nothing about it since. Can I ask you whether your Government is still financing the project, have you received any progress reports on its work and will you act on any recommendations that come forward?

PRIME MINISTER: I stress that it is not just Commonwealth/State financial relations. I was very insistent in questions at the time and it was accepted that it should also cover local government finances. In the last week I called for a report on this very matter. I have got it up on my table at the moment. There have been some articles written but not yet, I think, published in some learned journals. It is doing some work. I can't say at this stage one can see fruits of it, but I am pressing them to do something about it because the idea is a good one. We do need to have academics investigating constantly the question of Commonwealth and State and Civic finances and their interaction. Up until now the only time anything has ever been done is to get some Task Force to look into it such as the Coombs report into Commonwealth expenditure. I have, several times, advocated that the State Governments ought to have a similar Task Force or Task Forces looking into their expenditure. You always hear about the Australian Government's expenditure but in fact State Government expenditure rises almost as much, and in fact our expenditure has risen this year largely because of additional funds we have earmarked for expenditure by the States.

QUESTION: A.L.P. policy says that in the public interest the Commonwealth should act positively in the Arbitration Commission to get an extra week's loading for workers at holiday time. I understand that yesterday in Cabinet you urged caution in proceeding with that through the Arbitration Court. When will the Commonwealth now enact that part of A.L.P. policy now that the Cabinet has decided to legislate to enact that part about public servants getting the loading?

PRIME MINISTER: We can't enact anything. We haven't got the power over incomes except for our own employees or people in the territories, so we can't enact any such provision. What can happen is that the Australian Government or State Governments too for that matter can appear - they can intervene - in proceedings before the Australian Conciliation and Arbitration Commission where this matter or any other matter are the subject of a lot of claims by registered organisations of employees. The fact that the Australian Government is introducing a bill for this would have an influence, I expect, on the Commission. Earlier at this conference, I pointed out that the Commission had already accepted and provided for the principle of an annual leave loading in the metal trades award. It is for this reason that people in that area who are Australian Government employees, had approached the Public Service Arbitrator. This will be in a bill which we will introduce in the autumn session. I don't know at this stage whether the Opposition parties will oppose it or not. We believe that basic matters of Government policy such as this concerning Australian Government employees should take the form of legislation. As things stand at the moment Australian Government employees can apply to the Public Service Arbitrator for them. They have. Under our legislation, the people in the highest brackets will, in fact, get less than they are likely to get, than they are seeking, before the Arbitrator at present.

QUESTION: Will you intervene in other cases and will you extend it to the other Commonwealth employees....

PRIME MINISTER: I did overlook what Mr Barron has asked me. This was never discussed in Cabinet yesterday. There was no discussion on any matter pending before the Conciliation and Arbitration Commission. The discussion centered solely on the projected legislation.
