THE ACTING PRIME MINISTER'S PRESS CONFERENCE

AT PARLIAMENT HOUSE, CANBERRA

TUESDAY, 20 FEBRUARY 1973

ACTING PRIME MINISTER: Today the Cabinet considered a number of submissions and the first one was on recreation leave and maternity leave. The Cabinet gave further consideration today to papers prepared for us which raised issues requiring clarification before our earlier decisions on an additional week's recreation leave for Commonwealth staff and maternity leave for them can be implemented. On recreation leave the principle is that the additional week's leave is to be restricted basically to members of a union whether registered or otherwise, that is recognised by the Australian Council of Trade Unions. As previously announced, provision will be made for consciencious objectors who will be expected to pay an amount equivalent to union membership fees to consolidated revenue with the Industrial Registrar determining when an individual may make such a payment. There are some complex legal issues requiring resolution for aspects of the principle of four weeks annual leave are decided and the Cabinet has referred them to the Welfare Committee for study and report. A similar situation applies to maternity leave where a particular question raised was how the rules for servants of the Australian Government are to be brought into conformity with the relevant I.L.O. convention. The issues relating to maternity leave have also been referred to the Welfare Committee for examination and report to Cabinet.

Probably one of the most important decisions that was made today was the decision to give effect to the recommendations of the Woodward Committee. You remember that this Committee was set up to examine pay, conditions and allowances for serving members of the Armed Forces. It sought the development of a cogent remuneration policy to meet the needs of modern-day defence forces within the framework of widely accepted wage fixing principles and community wage standards; secondly, the total abandonment of the present incomprehensible system and the introduction of a completely new and simplified pay structure which will clearly show its real meaning and value. 3. The adoption of the concept of commitment to service to life and financial recognition of the obligations accepted by members resulting from commitment through the provision of a continuing allowance of $750 a year together with a series of additional allowances to meet particular circumstances which arise from time to time (for example) separation of a member from his family. Comparisons between rates of pay before and after the Woodward Report cannot readily be made. The position of each individual member will be different depending on whether he is married or single; and because of the abolition of tax-exempt elements in pay his income tax commitments. I must stress that the new structure of service pay is a complete replacement of and entirely different from the old structure. I draw your close attention to the Report from which the difficulty of making ready, accurate comparisons will be clear. However, except for some junior officers who will now pay more for their rations and quarters, noone will suffer a decrease in pay. Most in fact will enjoy an increase. The figure of $73 million appearing in the final report and which will now be available to you and which was the cost of the recommendation as submitted by the Woodward Committee is now

reduced to $63 million following the abolition of national service. I will also be in touch with Mr Justice Woodward shortly about the offer made by the Committee in its final report to meet again if necessary to clarify or elaborate on any issue from the recommendations it has made. I have the question of permanent services pay fixing machinery currently under consideration. One of the recommendations of the Committee was that there should be a permanent committee established to conduct frequent enquiries into service pay allowances and conditions. I am now examining the terms under which that committee will be appointed and who should head it. Now what I've given you is only a brief outline of the Woodward Committee Report, the changes that have been made in relation to pay and allowances for serving members of the forces, the fact that for example taxation laws will now apply to members of the forces in a way that they were not previously applied. But there is a full press statement available on this matter and it will be made available to you immediately following this conference. Secondly of course the Woodward Committee's Report is also available.

Now the Defence forces re-engagement bonus. You will remember this is the $1,000 which was one of the policy matters that we put to the people of Australia in the elections in 1972. There has been some comment in relation to this matter that it would not be the full $1,000, that if tax was considered, then something less than $1,000 would be available to an ex-serviceman who re-engaged. Cabinet considered this matter today and affirmed that the re-engagement bonus of $1,000 to be paid to eligible members of the Defence forces will be exempt from tax. Appropriate amendments of the Income Tax Assessment Act will be prepared.

I come next to the Tariff Board Report on cathode ray tube display terminals. Cabinet today considered a Tariff Board Report on cathode ray tube display terminals. The particular units under reference comprise a cathode ray tube (of the T.V. screen type), various specially designed electronic circuits and a device for connecting its terminals to other parts of a data processing or communications system. They are used for airline reservations, off-track betting, education and defence communications. The reference to the Board arose from representations by a Canberra-based firm Information Electronics and AWA now also manufacture these terminals. Subsequent to the Board reporting on these units the Government forwarded to it a reference on the electronics industry generally. Bearing in mind the Board's own approach that its examination of relevant issues can be more thorough in broader industry reviews than in inquiries covering only one or two outputs of an industry's total product range, the Government has decided to defer a decision on the Board's present recommendation pending its report on the industry generally. The Board is to be asked to consider any changed circumstances with regard to the local production of the units in its report on the relevant sections of the electronics industry. It is understood that the Board has this well in hand. In the meantime the present rates of duty - general rate 32.5 per cent - will remain in force, and because the Board noted in some cases that export prices were less than current domestic values the question of dumping will now be investigated by the Department of Customs and Excise. The Government is aware that the continuation of the existing level of protection could attract prospective new manufacturers. The Government would like it to be clearly understood, however, that it does not wish fragmentation to be caused in the electronics industry by reason

of the continuation of the present protection and it will not hesitate to take action which may prove necessary to prevent fragmentation and excess capacity.

The National Pipeline System. The Cabinet approved the creation of a national pipeline authority by legislation in the forthcoming session. The authority will have the carriage of the planning and construction of a national pipeline system and its subsequent operation and maintenance. On this matter Mr Connor of course will have further details.

On T.A.A. The Cabinet decided that it would move a step further towards implementing its two-airline policy as set out in the Platform. Again, I suggest that on this question Mr Jones would be able to elaborate.

Trespass on Commonwealth Lands. Cabinet decided to the repeal of sanctions 8A, 8B and 8C of the A.C.T. Trespass on Commonwealth Lands Ordinance was approved. You remember that these sanctions were introduced by the previous Government in the last session of the Parliament. Cabinet also authorised the preparation of amendments to the Ordinance to ensure adequate protection of Commonwealth land in the A.C.T. while properly safeguarding the rights of citizens. Cabinet determined and approved the guarantee for loan from Asian Development Bank to Papua New Guinea. It approved the preparation of authorising legislation to provide the necessary assurances to the Asian Development Bank for the borrowing of $9.8 million U.S. dollars by Papua New Guinea for the upgrading, realignment and sealing of about 75 miles of the Highlands highway between Lae and Waterais and the upgrading and new construction of about 62 miles of the Hiritano Highway between Port Moresby and Bereina. The legislation will be ready for introduction during the autumn sittings.

Further guarantee for overseas borrowing by Papua New Guinea. The Cabinet authorised the introduction of appropriate legislation to provide for a contractual guarantee by the Australian Government of an overseas borrowing in the 1973 financial year by Papua New Guinea in foreign currencies not exceeding the equivalent of $US 20 million.

The Broadcasting and Television Act. Action against breaches. The Cabinet has authorised the Minister for the Media to issue a notice of suspension to any television or radio licencee company which may display in the future a blatant disregard of the standards laid down by the Broadcasting Control Board on advertising content and programs. Again this is a matter which the Minister for the Media may wish to remark on and you'll be able to get the full information from Senator McClelland.

The Home Brewing of Beer. Cabinet decided to introduce legislation to amend the Excise Act to allow the brewing of beer by individuals for their own consumption. Senator Murphy has the full details.

Wheat Delivery Quotas and First Advance. Cabinet today gave consideration to the question of wheat quotas for the 1973 pool and the level of the first advance in relation to that pool. Certain decisions were taken, but as you would know, wheat quotas is a matter involving the States. The next step therefore is for the decision to be conveyed to the States and discussed with them. My colleague, the Minister for Primary Industry, will be taking this up and I'm sure he will release details as soon as he is able to do so.

Gentlemen, that completes the business - the Cabinet Submissions, and the business of the Cabinet.

Q: Mr Barnard, could you give us some indication of the number of troops that are going to be kept in Singapore when the battalion and the artillery battery come home at the end of this year or early next year?

Acting P.M.: No, at this stage I cannot give you any indication. The matter is quite clearly under consideration. The Prime Minister has made a statement on this matter and I would not want to enlarge upon it except to say this, since I have no doubt that it will be raised with me and I'm now referring to the question of the Signal Section. As soon as I became informed on this matter I immediately issued instructions that alternative arrangements were to be made for facilities to be provided for the Signal Section back in Australia. That information and that request - that decision - was conveyed to my Department and they are acting on it. There are some - I suppose if one dealt with a breakdown of the forces in Singapore - there are some forces probably that would be required but I would not be able to give you at this stage precisely any accurate figures in relation to the number who would be expected to remain for this purpose.

Q.: It has been suggested that 500 to 600 might be kept there. Would this be an accurate estimation do you think?

Acting P.M.: The matter is still under consideration.

Q.: If the Federal Conference of the Labor Party decides that all troops come home will the Government bring them home?

Acting P.M.: If the Federal Conference of the Party makes a decision then I think as it was suggested quite recently that the Prime Minister would accede to a decision, a decision of a properly constituted conference.

Q.: Sir, you said you'd given instructions for the Signals Unit to come back. It was suggested last week by a senior source I understand that this wouldn't be until 1975. Do you think that it will now be advanced? And secondly can you tell us on the record what the function of the Signals Unit in Singapore is?

Acting P.M.: No, I cannot. That's the answer to your second part. But in relation to the first part, then I can assure you that whatever instructions and whatever decision I make in relation to bringing the Signals Unit back to Australia will be made on the basis that it should be done without any delay. Let me amplify that: you cannot bring back a Signals Unit without certain facilities being available for them.

Q.: Sir, that doesn't quite clarify the point. Will it be before 1975?

Acting P.M.: I'm not able to answer that question at this stage.

Q.: Sir, can we get some idea of your hopes on what you know...

Acting P.M.: In view of what has been said and what I have said that I would want to ensure that there is no undue delay.

Q.: Mr Barnard, you make the point that when you were told of

this existence of the Unit in Singapore you decided it should be brought back to Australia. When were you told?

Acting P.M.: At the same time as the Prime Minister.

Q.: Was there any discussion or decision in Cabinet about making greater use of the Commonwealth Savings Bank loans for housing to promote competition among the other banks?

Acting P.M.: No.

Q.: Mr Barnard, did Dr Cairns raise the question of revaluation and the way the decision was reached?

Acting P.M.: No, he did not. I put it to the Cabinet that any economic decisions should quite properly be left until the Prime Minister returned to Australia and that was accepted without question by the Cabinet.

Q.: Sir, have officials of the Department of Defence or the Army advised the Queensland Premier that Australia should retain control of the islands it presently holds in the Torres Strait for strategic reasons? Were these discussions with Defence officials which Mr Bjelke-Petersen is alleged to have said took place - did they take place with your knowledge - were they official or unofficial?

Acting P.M.: I have no knowledge of the matter at all. There has been some discussion as you know by correspondence between the Premier of Queensland and the Prime Minister.

Q.: But you are unaware that Defence Department officials have spoken to the Queensland Premier?

Acting P.M.: I cannot confirm or deny it. I have no knowledge of it.

Q.: Mr Barnard, as Shadow Defence Minister you toured Pine Gap. As Defence Minister yesterday you toured Pine Gap. Can you tell us whether you were shown things yesterday that you weren't shown in Opposition and can you give us some indication of whether you plan to allow Opposition M.P. s and other M.P.s in Australia greater access than you had to these bases?

Acting P.M.: Yesterday and Sunday I visited Woomera and Alice Springs. I had been to these centres before but you will remember that I indicated when I was asked a question on this - I think at the first Press Conference that the Prime Minister held - what I would be doing about the bases in Australia. So I visited the joint Defence establishment at these centres Sunday and yesterday. I did that because I wanted to be in a position as I indicated during that first Press Conference that I believed I had a responsibility to make a statement to the national Parliament and in doing so to inform the people of Australia. What I have said in the past in relation to these matters and any criticism I've made in relation to the Parliament itself was that there was never an opportunity for an informed discussion. The purpose of my visit to these areas was to bring myself up to date on these matters to enable me to be able to present a statement to the Federal Parliament as soon as possible. That statement will be considered by the Cabinet - by the Parliamentary Labor Party and by the Government and it will be delivered in the Parliament.

Q.: Could I press you on the first point. Were you shown things as Minister that you weren't allowed to see before you were Minister?

Acting P.M.: The only thing that I can say - all I would say in answer to that question is that when I visited the establishment as the Deputy Leader of the Opposition I was shown the utmost courtesy and my visit on this occasion was no different.

Q.: Sir, do you propose giving the Parliament the opportunity for informed discussion on these installations?

Acting P.M.: If I make a statement to the Parliament as I will be then naturally that statement will be open to debate.

Q.: Sir, would the Government consider allowing the Press to inspect the installations at Pine Gap - members of the Press?

Acting P.M.: I think that on these questions you should wait until I have made the statements to Parliament. You'll be able to question me further on them. Naturally one of the matters that I am looking at if I have been critical in the past would be the rights of Members of Parliament and others.

Q.: You'll be giving a detailed briefing to Parliament about Pine Gap and Woomera. Can you give me some general indication now as to what the bases are all about?

Acting P.M.: I do not believe, as I have said before, that I ought to make statements on these matters until I have the opportunity to inform the Parliament. I have been critical myself in the Federal Parliament on other occasions about statements on important matters being issued outside the Parliament. I think the nation has a right to be informed and it should be informed through the Parliament and I will do that.

Q.: On a general note, have you learnt anything or were you shown anything that could make anyone believe that Pine Gap or Woomera might possibly be a nuclear target?

Acting P.M.: I'm sure that when I make my statement to Parliament you will have the answer to that question.

Q.: Mr Barnard, back to the Singapore Signals Unit - why was it apparently suggested last week that the reason for us keeping Australian logistic troops in Singapore was to screen the Signals Unit there when it was only two or three years ago that the main Australian Army force moved from Terandah to Singapore and up to that stage no screen was apparently thought necessary?

Acting P.M.: I said a few moments ago that one could give a breakdown - I haven't the figures before me of troops who would be stationed in Singapore - of the men who are stationed now in Singapore, but who certainly would have no relationship to the Unit that you've just mentioned.

Q.: Sir, you've said that you can't give us any details of Pine Gap and the other bases at the moment because you want to save that for Parliament. But you've announced a number of major decisions today - Mr Whitlam has done so every Tuesday when he has been in Canberra. Presumably you've got good reason for regarding the Pine Gap business as something special. Could you tell us why that must wait for Parliament when other major decisions can be announced outside Parliament?

Acting P.M.: Because the decisions that I have outlined today are Cabinet decisions. They have been approved by Cabinet. The one that

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you've raised has not been considered by Cabinet. It will be considered by Cabinet.

Q.: Will you have to get any clearance from America before you make your statement about Pine Gap?

Acting P.M.: This is not a matter for the United States Government. This is a matter for the Australian Government, and it will determine the issue - since it's a joint Defence installation I would regard it as a matter of courtesy that the statement, once it is cleared by the Government, should be available to them.

Q.: Sir, do you intend to get in touch with them before you draft the statement or in view of what you...

Acting P.M.: No, I will not be getting in touch with them.

Q.: Mr Barnard, will the agreement with the American Government in relation to American bases in Australia - will the agreements be tabled in Parliament to allow any form of debate?

Acting P.M.: ... the agreements?

Q.: The agreements setting up the bases. Would they be tabled as well?

Acting P.M.: Again I'll be referring to those matters in the statement.

Q.: Mr Barnard, Mr Connor last week spoke to the Japanese Government and has suggested that mineral contracts should be re-negotiated in the wake of the currency decision last week. Was there any discussion of this in Cabinet?

Acting P.M.: No.

Q.: Sir, even if no discussion came up in Cabinet today on the matter of Commonwealth Bank interest rates, was a decision made on this last week or has any concrete plan on lowering interest rates before Cabinet at the moment?

Acting P.M.: No.

Defence

Q.: Sir, again on the re-engagement bonus, you've cleared up the tax side of it. I don't know whether you are issuing a special statement on this, but it's not quite clear who decides who's eligible - how many you envisage would be eligible in any one year, or this year, and what the cost would be?

Acting P.M.: I will be able to get these figures. Of course the re-engagement bonus has been paid already to some members of the forces. I haven't got the figures in front of me nor could I recall them immediately but, no doubt this information will be required by the Parliament and it is available.

Leave.

Q.: Mr Barnard, was the subject of the Public Service Board's circular sent last week to Departments dealing with the fourth week annual leave for public servants discussed by the Cabinet in the course of discussion on the subject of maternity leave. Was there any criticism of the Public Service Board's circular in Cabinet?

Acting P.M.: I'm sorry. I didn't get the last part of your question...

Q.: Did Cabinet or any members of Cabinet criticise the Public Service Board's circular sent to the Departments last week dealing with the fourth week annual leave?

Acting P.M.: Cabinet had a submission before it in relation to the four weeks annual leave question. It dealt with that and nothing else on this subject.

Q.: Sir, in relation to the controversy over the Singapore Signals Unit, Mr Hartley last week made a statement in which he said that this showed there was a problem in relationships between the Government and the Public Service. I've no doubt that you've seen this statement since it was in most newspapers and it applied to your Department. Would you like to agree with Mr Hartley? Is there a problem in dealing with the Public Service? Is there a problem in them trying to run politicians?

Acting P.M.: The answer is no.

Q.: Could you elaborate - obviously this impression is abroad. Could you tell us why...

Acting P.M.: I can see no conflict of opinion in this. It's merely an interpretation of the Government's decision and I think it's reasonable that there may be a request for an interpretation. The Government determined its attitude in relation to that - to the query that was raised in this way.

Q.: Was it on your instructions that a desk in your office was allegedly cleared out by a Defence liaison officer or was it on the Department's instructions?

Acting P.M.: A desk in my office?

Q.: Yes, Sir,

Acting P.M.: Well it certainly was not on my instructions and I'm not aware of it.

Q.: Was it searched?

Acting P.M.: I'm not aware of it, but what I can do, I can assure you, is find out.

Q.: Sir, are you satisfied that the bases at Pine Gap are forming a proper and correct function in relation to Australia's defence?

Acting P.M.: Again, this I will be stating in my statement.