PRIME MINISTER'S PRESS CONFERENCE, PARLIAMENT HOUSE, CANBERRA 8 APRIL 1974

Opening statement by the Prime Minister.

The people of Australia should be very clear about how, why and by whom their country has been suddenly plunged into a grave and unprecedented Constitutional crisis. Beyond all the manoeuvring and mud-slinging of the last week, one basic fact lies behind this crisis: a group of Senators elected in 1967 and 1970 proposes to deny the Australian Government, elected for three years in 1972, the right to govern and the power to govern.

Money is the sinews of Government. The taxpayers' control over their money through their elected representatives is the foundation of parliamentary democracy. Under our Westminster system, this control is firmly lodged in the Lower House - the people's House.

It is precisely for this reason that, in Australia, whichever party has the majority in the House of Representatives forms the Government of Australia,

It is precisely for this reason that the Australian Constitution sets rigorous limits upon the powers of the Senate to amend money bills.

Now, a group of Senators is proposing to reject Bills approved by the people's House which would enable the elected Government to carry out its program and carry on the business of Government. This has never before happened in Australia. It is a step fraught with the very gravest implications for democratic Government in Australia. It strikes at the roots of the Australian democratic system. It is fraught with the gravest implications for the Senate itself.

It is precisely because of these grave implications that responsible political leaders of all Australian parties have hitherto rejected such a proposition out of hand.

The situation whereby one party controls the House of Representatives - the Government - and another party controls the Senate is by no means unusual in Australia. What is absolutely new is that an Opposition should attempt to use an outdated majority in the Senate to deny the elected Government the money it needs to carry out its program.

Not until the election of a Labor Government, after 23 years of coalition rule, has such a course been threatened. Why?

Not until the present leadership of the coalition arrayed against the elected government has any elected Australian Government been held up to continuing ransom by this threat of denying it the money it must have to govern. Why?

They have already done this 4 times. They threatened it in April a year ago. They threatened it in October. Again in November they threatened to deny all Australian schools the vastly increased sums of money the Australian Government is making available. And now again they are threatening to reject Bills needed to pay Australian Public Servants, needed to provide pre-school education child care, to assist the States with health programs, to help child migrant education, to assist the States with the cost of home care services, to give relief in connection with the recent national disasters, to promote apprenticeship training, to give assistance for isolated children, needed to give emergency help to the apple and pear industry.

The Government was elected to carry out a program. The Liberals, the Country Party, the D.L.P., have combined and conspired in the Senate to deny it the money to carry it out.

There are two basic questions the people are entitled to have answered. Why has responsible leadership of all Australian parties always hitherto rejected this course? And why is the present Opposition leadership prepared even to contemplate so unprecedented and perilous a course?

The reason why a responsible Senate must, at all times, exercise the utmost restraint but above all exercise restraint on legislation dealing with the Taxpayers' money has been splendidly put by Sir Robert Menzies. He was writing in 1968 about what would happen if the Senate were to stand on technical legality but use mere numbers to reject measures approved by the House of Representatives. Sir Robert Menzies said:

"This would create an impossible situation and would make popular government unworkable"....

"It would be a falsification of democracy if on any matter of government policy approved by the House of Representatives, possibly by a large majority, the Senate representing the States and not the people, could reverse the decision.... otherwise a Senate Opposition whose party had just been completely defeated at a general election would be in command of the Government of the nation. This would be absurd, as a denial of popular democracy."

That was Sir Robert Menzies' principle in 1968. He states exactly what is now happening in Canberra. There could be no clearer statement on the principle now at stake. There could be no clearer evidence of the decline in the standards and principles of Sir Robert Menzies' successors. What a falling off was there, my countrymen. Why then have his successors turned their backs on the principles of their former leader, their founder? Why are they proposing this falsification of democracy?

Let me put the events of last week in their proper perspective. An election for half the Senate is due to replace that half of the Senate elected in 1967.

Of course among those Senators up for election are those who have been involved in a course of unparalleled obstruction of legislation the people elected us to implement. They have prevented us introducing They have prevented us enacting industrial universal health insurance. legislation designed to reduce industrial disputes. They have held up our legislation on restrictive trade practices and monopolies and consumer protection - crucial in our fight against inflation. They have stalled in order to sabotage our plans to increase the effectiveness of the Australian Industry Development Corporation. Last week they rejected the Petroleum and Minerals Authority Bill - our basic instrument for ensuring the effective development of our energy and mineral resources and to maximise the ownership and control of those resources by Australians. They have even rejected our proposal for a Federal Superior Court, a proposition first advanced by no less an authority than the Chief Justice, Sir Garfield Barwick. Now this is not particularly a Labor measure. A Bill to set up a Superior Court was introduced in 1968 by a former Liberal Attorney-General, now Mr Justice Bowen. In his second reading speech, he said:

"Since 1961, a very considerable amount of work has been done, first by Sir Garfield Barwick as Attorney-General, then by the present Minister for Immigration (Mr Snedden) when he was Attorney-General...."

I mention this to illustrate the pettiness, the meanness, the mindlessness, the bloddy mindedness of it all. They rejected Bills to enable us to put to the people referendum proposals to enhance Australia's democratic processes - that is, if they had had their way they would not even allow the people of Australia to have the chance of passing an opinion on these proposals.

The Senate elections due next month would allow the people to pass their judgement on this record of obstruction. Yet the complexities and complications of Senate elections are such that no party, neither the Government nor the Opposition, can be reasonably assured of gaining a majority in the Senate. It was therefore my duty to consider all means, consistent with propriety and the national interest to reduce the instability built into this situation.

Last Tuesday I announced the appointment of Mr Gair, who had been last elected to the Senate in November 1970, as our Ambassador to Ireland. The effect of Mr Gair accepting this appointment was to create an additional Senate vacancy to be elected by the people of That was its sole political effect and, Queensland next month. politically, its sole intention, to give the people of Queensland an opportunity to elect 6 Senators instead of just 5; not, be it noted, to give any person, party, or Parliament the power to decide who would represent Queensland in the Senate, but to give the people of Queensland the opportunity to have their say. By contrast, the Premier of Queensland has tried to forestall that possibility - to deny that opportunity - by himself nominating a replacement for Mr Gair. said in effect, that the party representation in the Senate should reflect what the people of Queensland thought in 1970, not what they may think or decide themselves in 1974.

There is one remarkable aspect of this matter. For all the bombast of the past week, no-one in the Opposition has had the temerity to state that the new Ambassador to Ireland is unfit to hold the post.

So what is the objection? Not surely, that a serving Member of Parliament was appointed to a diplomatic post or an office of profit under the Crown. I have here a list which shows countless such appointments by our predecessors.

Is the objection that the Ambassador is not of my political persuasion? Was I wrong therefore to confirm Mr Gordon Freeth, a defeated Liberal Minister, or Dame Annabelle Rankin, a former Queensland Liberal Senator, in their posts in Tokyo and Wellington when I became Prime Minister?

If someone will say plainly that the Ambassador is unfit for the post, I imagine Mr Gair will take his recourse at law. In the meantime, I can only conjecture that the Opposition believes that a man who was fit enough to maintain them in power for a generation, a man who was fit enough to exercise decisive influence on both the home and foreign policies of their administration, is somehow unfit to represent this country in Ireland.

So we come to this; Senators who have indulged in deliberate obstruction of the elected Government, its program, its mandate, now propose the ultimate obstruction - refusal of the money needed to carry on the people's business. When the Liberals discussed such a course last October, the President of the Senate himself, the distinguished Sir Magnus Cormack - a Liberal - warned his colleagues that they would be committing suicide. What he meant, what he well understood, was that the people of Australia would never forget or forgive so blatant and fundamental a denial of democracy, a falsification of democracy, as Sir Robert Menzies puts it; and that sooner or later the people themselves would choose to destroy an institution which had proved itself so irresponsible, so potent an instrument for the destruction of Australian democracy. I think Sir Magnus Cormack is correct in his judgement. If he is, then Senators are proposing to sign the death warrant of the Senate. However that may be, they must not be allowed to sign the death warrant of Australian democracy. This is what Liberal members of integrity like Mr Killen and Mr Hamer are concerned about - that the control of the people's money must rest in the people's House, that the people's House should be answerable to the people about the spending of their money, and that their money not be at the disposal of the pressure groups and the monied interests, notably foreign monied interests, to whom these Senators and their leaders, their parties are so acutely responsive and, indeed, indebted.

Mark these words:

"They have refused to recognise the umpire's decision. They have used their Senate majority to slow down the machinery of Government. They have done violence to our legislative program. What we ask for is a fair chance to carry out our policy - in the sound Australian phrase, a fair go."

Again, these are not my words; they are the words of Sir Robert Menzies, at the double dissolution in 1951.