

PRIME MINISTER'S PRESS CONFERENCE
PARLIAMENT HOUSE, CANBERRA
THURSDAY 11 APRIL 1974

PRIME MINISTER: Ladies and gentlemen, I announced in the House of Representatives last night that the Governor-General had agreed that there should be a simultaneous dissolution of the Senate and the House of Representatives. He required to be assured on two matters. First that there would be supply for the public service until the election, and the other that the electoral machinery was adequate to conduct the elections on any date that he determined. I this morning gave His Excellency those assurances and he has agreed that there should be an election for both Houses on 18 May. The timetable is that the writs should issue on Saturday 20 April, the nominations should close on Monday 29 April, the polling day on 18 May and the writs must be returned on or before 29 June. As you know the Governors of the States issue the writs for the election of senators and the Governor-General will be approaching the Governors with a view to obtaining their consent to the same timetable for the purposes of the election. On 20 April the Governor-General will also issue writs for the Referendums to be submitted to the people on 18 May. The four referendums will be Simultaneous Elections between the two Houses; for the Mode of Altering the Constitution; the Democratic Elections and for Local Government Bodies. Perhaps I should say that the referendum for Simultaneous Elections is all the more relevant on this occasion because when there is a double dissolution the term of senators elected at it dates from 1 July preceding. So the senators who will be elected as the Constitution stands at the moment would have their terms dating from 1 July 1973. If this referendum is carried then their terms will date from the day of the election. You will remember that's what happened in 1951 when there was last a double dissolution. The senators had in effect two and five year terms whereas the House of Representatives was permitted to have three years. So the way to bring them together will be achieved if this referendum is carried.

QUESTION: Where will you make your policy speech and when?

PRIME MINISTER: This is still being arranged it will be announced by Mr David Combe, the Secretary of the Australian Labor Party. I would expect it will be in Sydney and about three weeks before the polling date.

QUESTION: Do you envisage any major changes in policy, any new policy initiatives at all when you do make your speech?

PRIME MINISTER: The Government's policies are clear. It's because the Government's policies have been delayed and frustrated in the Senate that this election is taking place. The principle forms in which the policy will be carried out are already in bills which have been before the Senate. As you know, six of those bills have been twice rejected by the Senate. Three of them are on electoral matters, although they were all mentioned in the government's policy speech which I delivered in November 1972, and, of course, in the Australian Labor Party's published platform before the 1972 elections. Then there are two bills to carry out the health insurance scheme which was detailed in my policy speech in November 1972 and incidentally in November 1969, and is also in the Australian Labor Party's published platform; and finally the Petroleum and Minerals Authority Bill which is in accordance with my policy speech and the Australian Labor Party's published platform.

Those are six bills which have already been twice rejected by the Senate. So people know quite clearly what we will do when we are re-elected in those six basic matters. On top of that the Senate has rejected bills to make the industrial organisation and settlement of disputes easier in Australia, carrying out, incidentally, a program which the industrial Court recommended as of the utmost urgency in February 1969. Our predecessors did nothing about it and the four States concerned, all three of them Liberal States, have not hitherto co-operated in that five-year-old urgent plan. So that's one. Then there is Workers' Compensation for Public Servants; there is the Superior Court of Australia Bill, incidentally carrying out a proposal which Sir Garfield Barwick made and got through Cabinet when he was Attorney-General in 1961, which Mr. Snedden when he was Attorney-General also worked on, and which Mr. Justice Bowen when he was Attorney-General actually introduced in the form of a bill in 1968. Mr. Justice Bowen, as you know, has paid tribute to what the Chief Justice and Mr. Snedden have done in working on this bill. When we bring it up its rejected, and it was on the Senate Notice Paper, but they hadn't got round actually to a vote of rejecting it a second time. Then there is the Trade Practices Bill, including, of course, proposals which were put by former Liberal Attorneys-General Greenwood and Bowen and Hughes; and it also has consumer protection, which we added. Then there was the proposal for interchange of powers at a referendum between the Australian Parliament and the State Parliaments, which five of the six Premiers welcomed last September. Then there is the Australian Industries Development Corporation Bill and the National Investment Fund Bill which accompanies it. They've been rejected. And then I suppose there are some lesser ones which I needn't worry you with. Land acquisition in the Australian Capital Territory and seas and submerged lands royalties on minerals - all these have been rejected once - the last one actually has been rejected twice - but all the others were waiting for rejection. Now when we're elected we will bring those bills in. So the clear lines of our policy are already known. By contrast I suppose one could say that the Liberals resent it if anyone discloses any drafts of their policies.

QUESTION: What is your prediction as to the outcome of the election for both Houses and secondly, what do you think are going to be the major issues in the election?

PRIME MINISTER: It will be very difficult. I think it will be unlikely that we can get more than 30 senators or all the parties opposed to us in the Senate can get more than 30 senators. That being the case, if the Senate were again to reject any of these six bills upon which the Governor-General has granted the dissolution, there would be a joint sitting of two Houses and if there was an absolute majority in favour of the bills at such a joint sitting they would become law. Clearly there will be a more ample majority in the House of Representatives than one could ever hope in the Senate. At a joint sitting then I would expect all these bills to go through. The major issues will be these matters which we in accordance with our platform and my policy speech and which we have introduced into the Parliament and where we have been frustrated by the Senate. In six cases, these matters have been twice rejected by the Senate. There are over six matters where there has been a rejection by the Senate and a clear intention to reject when they came on to a vote - one, two, three, four, five, six, seven, eight, nine.

QUESTION: The Senate has been the cause of the current situation?

PRIME MINISTER: Yes.

QUESTION: If you do win the elections will you intend to carry out Labor Party policy of abolishing the Upper House?

PRIME MINISTER: I've been asked that before. It is not a high priority. It would require a referendum and this is one referendum which would have to be carried in each of the six States. No alteration of the Constitution which affects the representation of a State can be carried without the approval of the electors in that State. Clearly since each State is represented in the Senate any abolition of the Senate proposal would have to be approved by the electors in each State. There was no commitment in my policy speech to put such a referendum. I do not propose to put it in my policy speech in a couple of weeks' time.

QUESTION: Could you tell me: have you an opinion, political or legal, about the Australia Party's move in the High Court?

PRIME MINISTER: I believe that the Australia Party's move in the High Court has great constitutional merit. I tried to get the Australian Labor Party to take the same move when the last distribution was under way in 1968. We couldn't find the money to mount the challenge. Unquestionably in the United States such a challenge would succeed. The Australia Party is trying to have the High Court give the same interpretation to the Australian Constitution as the Supreme Court of the United States has given to exactly the same words in the United States Constitution. One of the referendums which we are putting to the people, the democratic elections one, is to write into the Constitution of Australia the interpretation which the United States Supreme Court has given the Constitution of the United States. Nobody, however critical he may be of other aspects of the United States Constitution, has ever asserted that the United States Supreme Court decisions of the last ten years have done other than build democracy, congressional democracy, in the United States. The United States Congress, for better or for worse, now thoroughly represents the United States people. That's as a result of the interpretation given by the U.S. Supreme Court to the U.S. Constitution in case after case over the last ten years.

QUESTION: Will the Australian High Court be able to delay the election?

PRIME MINISTER: I doubt it. What has happened - I don't want to appear too dogmatic on matters like this because obviously the High Court has the jurisdiction, the duty, in these matters - but what has happened in the United States Supreme Court where challenges have been made close to an election, as this challenge is being made, is to require an assurance that any decision will be applied at the next election. The United States Supreme Court has not delayed an election while any such challenge has been heard.

QUESTION: Two questions actually on behalf of the gallery: would you repeat the undertaking that you gave at the last election to meet us regularly in Canberra for a press conference on Tuesdays?

PRIME MINISTER: I have carried out every promise I made before the last elections. I faithfully carried this out. I've enjoyed it, if you enjoy it and repeat the request I will comply.

QUESTION: I repeat the request.

PRIME MINISTER: I comply.

QUESTION: Senator McManus forecast yesterday that because of disunity amongst the Opposition parties, Labor might be returned in the House and win a majority in the Senate. Now if his forecast goes slightly astray and you win a majority in the Senate but find yourself in a minority in the House, how would you deal with the legislation of a Liberal/Country Party Government coming before a Labor majority in the Senate, legislation with which you had fundamental objection? How would you deal with supply bills, if circumstances arose which you saw in the same light as the Liberal, Country Party and D.L.P. parties have seen last week?

PRIME MINISTER: The second question is utterly hypothetical, clearly. The first matter concerns a prediction by Senator McManus. I think he was correct.

QUESTION: Mr. Snedden has undertaken that if he is elected, in his first Budget he will cut income taxes by \$600 million a year. Will you match that promise?

PRIME MINISTER: I shall not.

QUESTION: Will you tell me what attitude you will take towards taxation?

PRIME MINISTER: Mr. Snedden, of course, had scarcely made the promise before it was rejected by Mr. Anthony, who asserts that he will be the Treasurer if there's any change of Government. You'll remember quite clearly that Mr. Anthony has said that he will be non-committal on any such proposal. Please don't ask me questions about my opponents' policies when they are not clear among themselves. This at least was a specific one by part of them. It was not made before it was disowned by the other one.

QUESTION: To clear up your answer to a previous question: In the new House exactly what majority do you expect to have and which seats do you think you could pick up and which could you lose?

PRIME MINISTER: How many seats we pick up will depend partly on the candidates, and there has been some speculation on that. I'm clearly not going to suggest what seats we could lose, but I don't believe that we will lose any seats.

QUESTION: To what extent can any Federal Government control the rate of inflation in Australia at the moment?

PRIME MINISTER: Where an Australian Government, the Commonwealth Government, can affect inflation my Government has taken the appropriate action. There are, however, two fields where the Australian Government cannot take action. There are some components of inflation where the States can take action and the Australian Government cannot. One very clear example is land prices. It is open to every State to control, to regulate, land prices. And in times of inflation people invest in land because they believe it's one form of investment where the inflated price of land will keep pace with inflation elsewhere. People believe that it's a sound investment. When there's inflation people speculate in land. Every State Government could stop it. The Australian Government can only stop it in the Territories. You'll notice that in Canberra the rise in land prices which we inherited has been brought to a halt. There are other aspects of inflation which in the case of trading countries cannot be stopped by those countries without stopping their trade. And the present fact is in the world that all the trading countries - Australia, Japan, the United States, Canada, Britain, Western Europe - are suffering grievously from inflation. They are trading with each other - they're importing each other's inflation.

QUESTION: Do you think you will be announcing any new anti-inflationary initiatives during the campaign?

PRIME MINISTER: I don't expect so. I notice that Mr. Snedden has already said that he would abandon or reverse all the anti-inflationary steps that we have taken. And these are anti-inflationary steps which everybody has praised us for taking. It took some courage to make some of them, but we took them.

QUESTION: Do you think a floating exchange rate would be a good thing in this situation?

PRIME MINISTER: I'm the head of Government and I will not speculate on matters of currency. No head of Government can speculate on the rate of exchange between his country's currency and any other country's currency. I gather that Mr. Snedden has said that we should cut the link between the Australian dollar and the U.S. dollar. Mr. Anthony has supported that proposition. His motive is very clearly to devalue the Australian dollar. I believe that would be an utterly irresponsible and highly inflationary measure. The Australian dollar is not overvalued. It has appreciated in value very greatly under my government. It was because it was undervalued under our predecessors, particularly when Mr. Snedden was Treasurer, that there was so much hot money coming into Australia. That was producing inflation, and it was buying up our assets on the cheap. It would be highly irresponsible to devalue the Australian dollar.

QUESTION: Will you be making any fresh promises in your policy speech?

PRIME MINISTER: There will be developments of initiatives we've already taken and there will be many commitments in the light of expert advice which we have received in the meantime. For instance, only yesterday we had the report of the Kangan Committee on Technical and Further Education. There will be reports quite soon concerning Data and Statistical matters from Professor Crisp.

There will also be a report on retraining schemes from a committee under Professor Cochran. These are matters where you can expect that we will make commitments. But in other matters I would expect that there will be more details on questions such as pre-schools, day care, child care and also on house insurance. Clearly the shortcomings of house insurance have been very greatly brought to mind by the fact that people who were flooded in Brisbane in particular, Ipswich and other places, found that their policies didn't cover them against floods. Even the Treasurer of Queensland had taken out house insurance on the house for which he had got a loan from an insurance company and he found they hadn't covered him against flood. He was left high and dry in that respect at least.

QUESTION: Prime Minister, will you be moderating your views for Sydney's second airport. Will it be at Galston?

PRIME MINISTER: This matter, as you know, is under consideration. I see in one of the papers that Mr. Snedden has said that if there was a change of government that government would extend the operations at Mascot. I believe that, and I commend Mr. Snedden for being so frank about it, this is the first time he has been prepared to commit himself on this issue. He wouldn't find that the Premier of New South Wales would support him on that. The fact is that no electorate in the vicinity of Mascot will support a party which is committed to expanding operations at Mascot. Everybody knows that.

QUESTION: Could you elaborate on your plans for the rest of today and the Easter weekend? For example, are you still intending to go to Cairns to have a rest and work on your policy speech?

PRIME MINISTER: I am going to Cairns. I doubt if it will be a rest. I will be working on my policy speech. My ministers have already provided me with suggestions as to the way to present our policies, to present the further development of the policies to which we have been committed and which we have done our best to implement hitherto and, also, of course, summaries of what we have already achieved. My present plan is to attend a meeting of the Administrative Committee of the New South Wales Branch of the Australian Labor Party at about 3 o'clock this afternoon. I will then touch down at Brisbane. I will meet Lord Mayor, Clem Jones, there. He has commitments in Rockhampton tomorrow; I'm taking the opportunity to discuss various issues relating to the forthcoming election with him on the way between Brisbane and Rockhampton. And then I will arrive in Cairns tonight.

QUESTION: Prime Minister, when you saw the Governor-General yesterday did you put before him all those matters that you read out to us earlier about what the Senate has done?

PRIME MINISTER: Yes.

QUESTION: Or was your advice based mainly on the events of yesterday?

PRIME MINISTER: I followed the precedent that Sir Robert Menzies set in the letter of 1951 to Governor-General McKell. Sir Robert Menzies referred to one bill, the Commonwealth Bank Bill, on which there had been two rejections by the Senate. He did in fact then go on to list the course of obstruction by the Senate.

My list was, of course, very much more formidable.

QUESTION: During the last election campaign, when you didn't have control of the Senate anyhow and it didn't matter, you promised that there would be no change in the first-past-the-post voting system during the life of the still present Parliament. I wonder now that there is some chance that you may get control of the Senate and the thing becomes feasible if you would outline your intentions in that regard?

PRIME MINISTER: You are quite right. There was no promise to the people in this respect at the last elections and therefore when we brought in our various electoral bills we made no promise. We made no provision for first-past-the-post voting. There will be no amendments of the electoral laws under my government in the next Parliament other than those which are set out in the policy speech.

QUESTION: On the question of inflation and the economy, which will be major issues in the campaign, how do you reconcile the rate of inflation today running at around about 14 per cent with the five or six per cent of your predecessor?

PRIME MINISTER: There are two reasons. We inherited some policies which were just made for inflation. The currency was undervalued and furthermore the last Snedden Budget in 1972 encouraged inflation. There was a very great deal of domestic money infused into the economy and of course that, added to the overseas funds coming in, just produced the inflation. Since then the imported inflation has grown because in 1973 all the countries I mentioned earlier have much higher inflation than they had in 1972. If, however, we had not taken our steps to upvalue the Australian currency to regulate the flow of loan funds from overseas by having the variable deposit requirement, if we hadn't taken steps such as that and the unpopular but inevitable interest rate increases, then our inflation would be very much worse.

QUESTION: Assuming you are returned to office and assuming either Mr. Young or Mr. Hawke are also elected, would you hope that either or both of them would be in your next Cabinet?

PRIME MINISTER: I only have one vote in the Caucus so I'm not going to answer a question like that. I've never run tickets for Executive or for Cabinet. The Caucus will be able to make up its own mind between all those who nominate themselves. There are two things required: when the Caucus has its first meeting aspirants nominate themselves and then in a secret ballot everybody, including the aspirants, have to state whom they think they should have as the Government of the country.

QUESTION: Do you think the 16 months period was sufficient for your government to show its paces?

PRIME MINISTER: Yes, I think we've set a very good pace and I think the people have been encouraged and exhilarated by it. There is unquestionably a very much greater interest in politics in Australia among Australians than there was 16 months ago. And there is unquestionably a very much greater interest in Australia among the countries of the world than there was 16 months ago.

QUESTION: I was wondering why the Government in the Senate let the Opposition parties off the hook last night in voting on the Appropriation Bills?

PRIME MINISTER: They didn't let the Opposition off the hook; they impaled them on it. Because when this adjournment motion was moved by the Leader of the Opposition in the Senate, this hypocritical schoolboyish motion, and when that motion was supported by the Leader of the Country Party in the Senate and by the Leader of the D.L.P. in the Senate, the very next speaker was the Leader of the Government in the Senate, and he moved that the question be put. He said: Let this be resolved immediately. If the question is not put, that is, if you won't vote on supply, this will be taken by the Government as a refusal of supply. A vote was taken immediately to put the question, the vote was defeated. That meant the question could not be put; the amendment moved by the Leader of the Opposition, the Leader of the Liberal Party in the Senate, the vote couldn't be taken on what he moved. That mean we couldn't proceed with supply in the Senate. The Senate wouldn't debate or vote on supply. Thereupon we did two things: we put in the House of Representatives immediately the remaining supply bills, the ones which enable a Government to carry on after 1 July and sent those to the Senate and they got to them at 3 o'clock. At 7.30 I waited on the Governor-General and by 8.30 I told the House of Representatives, and the Leader of the Government in the Senate told the Senate, what the Governor-General's intentions were. And after a great deal of humming and harring about dates and that sort of thing, which are not their responsibility, the Opposition senators then voted supply, all of them; but they were not going to vote, they had refused to vote on it. They refused supply; the tactics were obvious. There was no humming and harring; we put them on the spot immediately, we impaled them on the hook at once. They refused supply to the Australian Government elected 16 months ago - the first time that any Opposition has ever threatened it in the Senate.

QUESTION: Would you do the same thing if you were in Opposition?

PRIME MINISTER: This is an utterly hypothetical question. It is a totally unlikely situation. I think that the Australian public are anxious to have a Government which will get on with the job. That is, they want to elect senators who will be of the same mind, the same date as members of the House of Representatives.

QUESTION: What is the state of the A.L.P. funds? Is there plenty to carry out an unlimited campaign or will there be some restrictions?

PRIME MINISTER: There have never been unlimited funds. I'm assured, I believe, there aren't on this occasion, but contributions will be thankfully received; they will be in a good cause, and people know that what we promise we shall do our best to perform and in a new Parliament we will be able to perform more promptly, more fully.