

PRIME MINISTER: Gentlemen before I answer your questions, I thought I might touch on one matter. I noticed that in the Mercury and also in the northern papers in Tasmania, that the principal item was to this effect. "Pensions promise, immediate rise if LCP wins." I regret to say that the heading conveyed only half the story. At least the full story gives us part of the answer to the question of where Mr Snedden will cut government spending and the answer is he would cut pensions. I was able to obtain today a copy of this glossy publication by the Liberal Party and under the heading of policies towards pensioners and the elderly the relevant passage is "as soon as economic circumstances permit," not immediately, but as soon as economic circumstances permit, "we guarantee that aged, invalid, widows pensions, war and widows pensions, and other weekly social service and repatriation benefits will in future be adjusted automatically every half year to changes in living standards". Now if that had been the policy since the last election pensions would now stand not at \$26 a week but at \$23 a week because the \$3 a week increase from the \$20 which the pension stood at when my government was elected represent the increase to adjust to changes in living standards. What my government has done has been to increase the value of the pension towards 25% of average weekly male earnings. That's why the \$20 pension which we inherited has not just gone up to \$23 a week which the Liberal's platform proposes but to \$26 a week. The pension has been increased by the Labor Government by 30%; about twice the amount required to maintain it in terms of changes in living standards. We believe that the pension ought to be adjusted in terms of average weekly male

earnings so that if the general community shares in increased prosperity in the community the retired people, the pensioners, similarly should share in that increased prosperity. Now I thought I should correct that impression that is given by the heading in the Tasmanian papers straight away.

QUESTION: The keynote of Mr Snedden's address last night was that the Whitlam experiment had failed. How do you feel about that?

PRIME MINISTER: The Whitlam experiment has succeeded wherever it has been given a chance. Where administrative action was required, we've acted promptly, fully and effectively.

QUESTION: You accepted the term. Explain that Sir.

PRIME MINISTER: Well of course it was a change for Australia. After 23 years of Liberal/Country Party government. But we came in 17 months ago on a 3 year program. After 17 months there has to be an election for the House of Representatives again but this time there will be an election for a contemporary Senate as well. Administratively the experiment is fully-fledged. Legislatively it has been hamstrung very greatly by an outdated Senate elected three and a half and six and a half years ago.

QUESTION: As you well know we have representatives of the local press here as well as the National press. I know that there are important Tasmanian issues that some people want to ask you.

QUESTION: Sir Frank Packer died today. He's been a long time political opponent of the Labor Party. What's your reaction to his death and will it have any effect on the coming election. Question two, has his role with the development of this country been beneficial or harmful?

PRIME MINISTER: It's too soon for me to attempt or presume to make an assessment of Sir Frank Packer's contribution to our country or to the media. He had for many years a very great influence on the daily press in Sydney. He disposed of his papers

there about three years ago. He retained control of the most successful of the weekly women's papers. He also of course had a dominating interest in two of the mainland television stations. He had been involved in the media all his life, his father before him. He had never supported the Australian Labor Party or any Australian Labor Party Government, Federal or State. Personally, I found him a vigorous character and we treated each other I think, with good humour and mutual respect, however much we disagreed with each other, on matters of policy. But I respected him. I believe he respected me and I share in the distress of his widow and his son at his passing.

QUESTION: Has he affected your platform in the election.

PRIME MINISTER: I don't believe that Sir Frank Packer's publications these days had any influence politically.

QUESTION: Nor the Liberal Party at all?

PRIME MINISTER: His television stations. I think that television cannot be manipulated so readily for political purposes by the owners of the television stations. If you have a newspaper then you are a prisoner of the owner's policies. If you don't like the newspaper you can't go out and buy another. But if you don't like a television program you can always switch to another.

QUESTION: The future of the Australian Cowhide Works in the (unclear) near Hobart depends on the decision of your Government. Is tariff protection for the industry still going to be continued?

PRIME MINISTER: There is a report which I've received from the Industries Assistance Commission. It is being printed. As soon as it's printed it will be published as all the Industries Assistance Commission and formerly the Tariff Board reports have been published since I became Prime Minister. I am the Minister in charge of protection but in accordance with the general British Parliamentary system which we inherited in Australia and which until

the Senate cut off supply to my Government had always been applied in the Federal Parliament it is inappropriate for governments to make decisions during the currency of an election campaign. The report I hope will be available by the time of the election and it will be one of the first matters which will be considered by my government after the election. In the meantime the report in typed form has been made available to the companies concerned.

QUESTION: If the Labor Party was to win a majority in the contemporary Senate but lose to a majority in the House of Representatives would it seem fit to reject supply?

PRIME MINISTER: I am not contemplating that eventuality. But my own strong opinion has always been that the Senate should not attempt to reject supply. This matter did arise in the first year when I was leader of the Federal Parliamentary Labor Party. That was in 1967. You will remember that there was an increase in postal and telegraph charges in the 1967 budget. The Senate had previously by a combination of the Australian Labor Party and the DLP disallowed regulations which had been made increasing postal and telegraphic charges whereupon the Holt Government introduced those charges in the form of legislation in the budget and there was a move in the Federal Parliamentary Labor Party, the Caucus, to vote against those bills and the budget of which they were a part. I successfully resisted that move. My view has always been that the Senate should not cut off money for a Government which has a majority in the House of Representatives.

QUESTION: Based on the precedent of the last four weeks has it changed your view at all?

PRIME MINISTER: I think it was an evil precedent. I wouldn't change my view.

QUESTION: Do you think your Party may change its view.

PRIME MINISTER: I would try to persuade them not to. It would be tempting obviously in the circumstances which you suggest but my view has been consistent all along. When this was advanced in the Party in 1967 I successfully overcame the idea.

QUESTION: Can you conceivably see a situation in which the Labor Party would do to reject Supply if the Liberal/Country Party had a majority in the House of Representatives?

PRIME MINISTER: There would be many people who would want to follow this wrong precedent. I would not be among them.

QUESTION: Prime Minister, in view of the High Court decision which has upheld the validity of the tobacco tax in Tasmania would the Labor Government seek to come to some arrangement with the States where they can have a growth..(unclear) or would the Government be having let Tasmania and presumably the other States go ahead and trying to levy the tobacco tax or the consumption?

PRIME MINISTER: My Government doesn't object to the States having a growth tax. In fact we completely support the fact that they do have a growth tax in the payroll tax and they are using it. What we object to is the income tax being levied by any Government other than the Australian Government. But this particular matter of the tobacco tax, the consumer tax, was resisted by my Government in the High Court. The State Governments, including the Liberal State Governments, supported the idea that States should be able to levy such taxes. My Government resisted the idea. We didn't win. I should say that there are other taxes where, such as death duties and road taxes and there used to be land taxes, which were levied both by the Federal Parliament and the State Parliaments. As a result of a decision made at a meeting of the Constitution Convention Committee A which I chaired a month ago officials of my Government and of the State Governments are looking at the operation of these taxes which are levied by both Federal and State Government in Australia so we are very happy to work means of seeing that the taxes

Federal and State Governments levy in Australia are fair in their incidence and economic in their collection.

QUESTION: Would you like to see an arrangement at least whereby the States would agree to drop consumption tax in return for some concession from the Commonwealth.

PRIME MINISTER: What the States do in this matter is their affair. The High Court has ruled that it's a matter for the States. We were against them ruling that way but we didn't succeed so what the States do with their Constitutional powers is a matter for the States. Quite clearly we were against it but we didn't succeed.

QUESTION: Sir, the Committee of Inquiry into national estate. I have the recommendations of this Committee that you handed down last week recommended that Tasmania ... (unclear)... until further impact surveys are being conducted. Is that recommendation going to become part of your policy of your Government?

PRIME MINISTER: My Government's policy is that in... Perhaps it will help you if I read what was said in my policy speech on this matter. I quoted what Mr Hope, who presided over the Committee on the National Estate said about this matter. He stated... It's in the section of my policy speech dealing with the government.

QUESTION: Sir, while you're looking for those

PRIME MINISTER: Well, if you don't mind, I think I've found it. This is what Mr Justice Hope said. The Constitution gives the Australian Government power to control the export of goods and in particular the export of minerals and timber. It can require that it can be satisfied that the exploitation of mineral or timber resources or the manner or extent of that exploitation will not adversely affect the environment before giving a licence to exploit and on that recommendation by Mr Justice Hope's Committee I stated, our Government will exercise that power regularly and effectively on the basis of skills and independent advice. And what I pointed out

was that from now on where there are to be any private projects involving export of minerals or timber we would like to see a joint environmental impact statement compiled by officials of my Government and officials of the State Government concerned and then in the light of that joint environmental impact statement we would decide whether we would permit the export of products of that mineral or timber project. It is so as to ensure that people investing in such projects will know where they stand. Up till now under the policy of our predecessors, they took no interest in the environmental aspects although constitutionally the Federal Government certainly has that responsibility and in our belief should exercise it.

QUESTION: Prime Minister, the Inquiry suggested that which you have said now... (unclear)

PRIME MINISTER: I said you will notice from now on, that is, for new projects. I don't believe that we should disallow projects which had been allowed to commence under the old policy. But we want to insist on this from now on.

QUESTION: Most of the causes of Tasmania's economic problems is generally regarded to be as (unclear) mainly. And your Government undertook 17 months ago the revenues. Do you think we are any better off now than when we were before the last election.

PRIME MINISTER: Yes. We have appointed a Royal Commissioner to enquire into and report upon these matters. I think it was last November I announced Mr J.F. Nimmo, who had been the senior official of the Federal Treasury and then became Secretary of the Department of Housing and is now a member of the Grants Commission should be a Royal Commissioner to look into the impact of transport costs on the Tasmanian economy. And one of the things he will look into is the question which I raised at the meeting I had with John Coates during the last House of Representatives Campaign in the Town Hall.

I said that it would be a reasonable thing to expect and to work towards that freight costs say per mile between Hobart and any of the mainland capitals should be no greater than freight costs between any of those capitals. You depend entirely on shipping for your heavy exports and accordingly, Mr Nimmo, the Royal Commissioner, is looking into this very matter. In addition there is Mr Summers, the former Secretary of the Department of Transport who is a Royal Commissioner looking into the general aspects of the maritime industry. And this means that he will be suggesting to us what improvements need to be made and the laws covering our ports and our coastal shipping and our international shipping.

QUESTION: Tasmania's two tertiary education colleges are about a mile away from one another in Hobart. Will a Labor Government consider establishing an autonomous tertiary education body in Launceston or in the north or alternatively moving the Advanced College of Education headquarters to Launceston.

PRIME MINISTER: I would wait for any recommendations on these matters to come from the two bodies concerned. There is a universities commission and there is a commission on advanced education. I wouldn't act without advice from those bodies on these matters. You will notice that we sought the advice of the Commission on Advanced Education concerning an additional grant for the Hobart College of Advanced Education. When we got the recommendation we immediately acted upon it. I was asked to open the Hobart College of Advanced Education last year and the representations were made to me at that time. I said I will have the Commission on Advanced Education examine it straight away. They did. When their report came in we acted upon it. Now similarly I was asked to open a month ago the new Technical College at Burnie. There again we acted on the recommendations of this interim committee, the Kangan one, on technical and further education. The whole of our course of action depends on expert

advice made available to the public. We've done it in the tertiary field up till now in Tasmania. I'm sure we'll continue to operate that way.

QUESTION: It just seems that the expert advice recommends the establishment of two academic institutions within a mile of one another while half of the State's population isn't served upon by this body, that there must be something wrong with it. Perhaps a political decision rather than an expert decision.

PRIME MINISTER: This is not a political decision. These Commissions are not subject to political direction. They recommend what they like. There can be a political decision. There can be a political decision later on to reject their advice. We have never rejected the advice of any of these expert bodies in the educational field. The Schools Commission, Universities Commission, the Commission on Advanced Education, the Interim Committee on technical and further education, we have accepted it in every case. The public knows what the advice is and we've acted on it. I mean this is a powerful case, what you say, what you're inferring. Then people ought to put it to these Commissions.

QUESTION: One of the points is that in the north of the State we've had disastrous floods there in the last week or so. Will the Federal Labor Government consider giving disaster aid grants to the area?

PRIME MINISTER: We arranged that two days ago didn't we Mr Barnard? Mr Barnard and I were discussing this two days ago. We have decided to give assistance forthwith in the same way as we did when Mr Barnard was Acting Prime Minister for northern New South Wales and Queensland. You will get the same range of assistance promptly. Mr Barnard will give you the details. I'm not sure how much has been published in this respect.

QUESTION: The Labor budget this year, would it be an adapted budget or a surplus budget?

PRIME MINISTER: A surplus one I expect. I don't think a deficit budget would be appropriate this year. There was a deficit budget in 1972 and again in 1973 and I don't think it would be appropriate in 1974.

QUESTION: The amount of growth the Labor Party has been playing in the Commonwealth is considerably increased. I'll re-phrase that. You will be cutting back on the rate of growth of expenditure in certain areas if you do budget with a surplus. Can you give us an idea of some of those areas which you will be cutting back.

PRIME MINISTER: The Commonwealth Government's expenditure is rising more slowly than the public expenditure in Australia. Your own newspaper, The Age, Melbourne, which I trust is widely read in Tasmania, had an excellent article by Mr Ken Davidson, its economics editor today, who used to be formerly in that position with The Australian. And he pointed out that the percentage of the domestic product, the gross domestic product, which is being spent by the Commonwealth Government this year is less than the amount being spent by the Commonwealth Government out of the gross domestic product last financial year and the financial year before that. Actually my Government is spending a smaller amount of the gross domestic product than was spent by the McMahon Government when Mr Snedden was Treasurer.

QUESTION: But Mr Prime Minister there is no way out of this to the point that you how you expect to have a surplus without increasing your revenue than if you cut the growth of expenditure ...

PRIME MINISTER: Revenue is going to increase. We all expect that. Mr Snedden says it will. I say it will. There's no dispute between the contestants that the revenue is going to increase. I don't expect to reduce the projected expenditure by the Australian Government in the next budget. I don't know what reductions there would be in expenditure by any alternative Government. They're not precise in

this matter. We obviously would not cut projected expenditure in those fields where my Government has increased expenditure by the Australian Government namely in Education, Health and Urban affairs.

QUESTION: Will you be able to find a surplus with the doctrine of the (unclear) report on hospitals and the bureau of roads ...

PRIME MINISTER: I expect so. Incidentally on hospitals I mentioned in Launceston at the Launceston Press Club today; I don't know if you're all aware of it; that two or three months ago I suggested to the Premier that we should go halves in the cost of erecting and operating a new Launceston general hospital and that we should bear the whole of the cost of finishing and operating the new women's hospital in Hobart. I point out that under the Constitution since the 1946 referendum the Australian Government has got the responsibility jointly if you like with the State Governments of providing hospital benefits and medical and dental services.

QUESTION: Prime Minister, are you worried about the extent of the number of informal votes in the coming election and could this have an effect on the Labor victory especially in the Senate?

PRIME MINISTER: I'm obviously worried at the complexity of the Senate ballot papers in every State. I don't believe there has ever been such a large number of candidates for the Senate in any State as there will be on this occasion and a vote is wasted unless the voter fills in a number in sequence in every square on the Senate ballot paper as well as in every square on his House of Representatives ballot paper. The order in which he fills in the numbers is his choice but unless he fills in a number in every square in whatever order he himself wishes then his vote is informal. His time in the polling booth which will be a very long time on this occasion will have been wasted. I believe that informal votes will not be as numerous as they would have been if there had been election for the

Senate alone. Now on the last three occasions 1964, 1967 and 1970, there has been an election for the Senate alone and the percentage of informal votes has been higher than it used to be on those occasions such as 1961 and 1958 and 1955 when elections for the Senate took place on the same day as elections for the House of Representatives. I believe on this occasion since people will be more polarised between the major parties, the Labor Party, the Government on one hand and the Liberal and Country Party coalition sometimes standing on different tickets as they are here; sometimes on the same ticket as in New South Wales. There will not be the same dispersion of votes among candidates or parties who have no colleagues in the House of Representatives. I think people will probably concentrate more meaningfully on how they pass their Senate votes this time and I would expect that they will follow the how to vote cards they receive from Party supporters at the polling booths.

QUESTION: Prime Minister, I wonder if you could read ...the Labor Government's provision on Life Assurance. Will the \$1200 tax deduction ever be made and does the Government intend to continue the increase of tax on life assurance which the Life Officers Association claimed earlier this week to reduce the bonuses (unclear)

PRIME MINISTER: That was a thoroughly dishonest advertisement. People who take out insurance policies know very well that the insurance companies have beenthem over the years handover fist. I think premiums are at the rate of 4% return on investments. Everybody knows the life assurance societies are cleaning up twice or three times that amount. They are putting money into city real estate which gets them very much more than the percentage that they put into premiums. The fact that premiums are so low, is not the fault of my government. Premiums were far too low under our predecessors too. But we are intent on ensuring that people who

put their money to life assurance policies, particularly under the encouragement of federal legislation such as the 1,200 dollars per year which you mention. The people who do that will get a proper return on their investment. But they will share in their return on the very profitable investments, that life assurance policies make. I would point out that we are also going to set up an Australian Government Insurance Office. This will write policies in general, marine, fire insurance, and natural disasters.

I believe people have been very disillusioned in Australia in the floods which appeared in Qld. and Northern NSW and now in northern Tasmania, to find that their properties are not covered against such natural disasters. The only house insurance companies who do cover them are those under the War Service Homes Scheme, the Defence Services Homes Scheme. We have decided to see therefore that the advantages of the Defence Services Homes Scheme are made available to everybody who likes to take out a policy with the new Australian Government Insurance Office. This will save a very great deal for home owners and home buyers. They have been getting a very raw deal up until now. And most of the companies concerned have been owned overseas.

QUESTION: In your earlier answer on a surplus budget, you said you expected to go combined surplus budget, with adoption of the Bureau of Roads Report and also a Unclear.. Can we take it from that that you will be accepting those reports and also do you agree with budgeting the surplus ought to have an effect on reducing inflation.

PRIME MINISTER: Yes, I think to budget for a surplus or a balance budget, still more if you budget for a surplus, would counter inflation. As to the Bureau of Roads Report, we are discussing that with the States

and with local government. It is the first time that there has ever been a discussions about the Commonwealth's assistance for roads with local government. The Bureau of Raods suggested it and we have been having these discussions. The discussions naturally have been suspended after the oncoming of the election. As I said in my policy spech they will be resumed after the election. Meantime however, we have decided to bear the whole cost of the national highways proposals by the Bureau of Roads. Not 80% but 100%. And as far as Tasmania is concerned of course, few will remain in the preferrd positions as it has always been in regards to these grants. That is the Bureau's recommendations for Tasmania will be confirmed. All that we have decided otherwise is to bear the whole cost of the national highways scheme. (QUESTION UNELEAR)

That has not been considered, but I expect it will be accepted. I go further than the Sax Report as I have pointed out to you. wñth what I have said already about the Launceston general and the Hobart's womens hospital. Incidentally one doesn't know what needs to be done in Victoria. Because the Victorian government wouldn't co-operate with the Sax Committee. The Hospitals and Charities Commission in Vic. was prevented from giving evidence, or supplying information to the Sax Committee on hosptials and health services. We will use our own constitutional responsibilities. As I sais, since 1946 the Australian Parliament has been entitled to provide medical and dental services and in Victoria where the State Government has not co-operated we will procide health centres and in some of the areas particularly the outer suburbs where there are not satisfactory hospital facilities available for the families in that area we will build the hospitals.

QUESTION: First, when you are returned with a stronger vote in both chambers of P arliament, will you take urgent steps to improve the voting system by giving an optional method on preferential

and secondly, will you take more urgent steps to make it impossible ever again for any party combination to indulge in this subservive conscriosy against the Parliamentary system.

PRIME MINISTER: The last one would be largely overcome if the first of those referendums we have put in is carried. you will remember that that referendum provides for there to be an election for the whole of the half of the Senate whenever there is an election for the House of Reprs. This is till more urgent now because on 18 May the Senators who are elected will take office from 1 July 1973. The House of Reprs. members elected will take office for three years from the day that the House meets which will be July 1974. So there will be the same position that there wa in 1951 where the Senators dated from 1 July 1950 and they are there for e had to be another elec tion for the Senate in about April or Mya 1953 whereas the members of the House of Representatives didn't have to come up for election until April or May 1954. So it is very important to have the sycronisation of the two houses and that being the case if on any future occasion, the Senate were to refuse supply to the government which had am majority in the House of Reprs the House of Rpes could go to the people and the senior half of the Senate would also automatically go to the people and the junior half of the Senate will have their term reduced by that amount. They would be going on 3 years time instead of whatever time was still left ot them. So that position would be largely cured if that first referendum has a majority of YES votes in four of the States, as well as in the whole country. Now certainly the Senate ballot paper ought to be simplifire. It ought to be enough to cast a valid vote if the vote fills in as many sqaures as there are vacancies in the Senate. If for instance as usually happens,

there are five Senators to be elected, then it ought to be a valid vote if the voter fills in numbers 1 to 5 against 5, six if there is to be elected, against 6. The maximum is 10 at the moment, if he fills in 10. The present position makes for the most complicated ballot paper in the world. Then you mention about optional preferential. That is not an own preferred form of voting. In Australia in the 60 years or more federally, we have had the preferential voting system. It puts a premium on complexity. It ought to be possible in my view for people to indicate their preferences among all or as many as they like with the candidates they put up. That is if a person believes his first choice mightn't win, well let him number 2 against the person who he would rather get in if his first man can't get in. But my party has no declared policy on it. It used to support the idea of first past the post. You just put x next to the name of the person who you wanted to get in. And you couldn't indicate a preference. But that was taken out of the party's policy at the conference before last I think. And the matter is now in the melting pot. My own personal preference is the optional preferential. That is let the person's vote be valid ifx even if he puts an x against one name of a single candidate. If however he puts 1,23, whatever it is against as many candidates as he likes or all the candidates then let hsi preference be adhered to.

QUESTION: What order of surplus do you contemplate?

PRIME MINISTER: I can't anticipate that at this stage.

QUESTION: Do you think ...

PRIME MINISTER: At least a balanced budget.

PRIME MINISTER: I am not proposing to have a deficit budget this year as we had in our first one and Mr. Snedden's last one.
