

14 MR WIKES

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Mr. President, your Excellencies, Ladies and Gentlemen:

Please forgive me if I'm not too formal. I have no text to declaim to you. I will make some preliminary observations and then whether I like it or not I'll have to answer your questions.

I gather that on previous speeches in this particular round there have been a great number of references to economic affairs. I shall quote from a part of your newspapers tomorrow morning which you won't be writing yourselves. It's a letter from economists - a majority of the professors and staff in economic faculties right round Australia. It states, since the present government won office, Australia has witnessed several significant changes in economic policy. The government has, for instance, revalued the currency, cut tariffs across the board, increased interest rates and substantially reduced the alarming growth in the money supply. Inflation has, of course, been the major concern of economic management for the government. The rapid increase in prices has been an international phenomenon as well as a national one and we doubt that any Australian government could have managed to isolate our economy from these international price movements. We believe that the general thrust of the government's policy responses has been in the best interests of the nation as a whole. More importantly, we seriously doubt that the previous government would have had the wisdom or the courage to undertake it. It had certainly given no indication of moving in that direction while it was in power, even though the need for such policies had become obvious. There can be no doubt that inflation would have been even more severe had the government not taken the steps outlined above.

*John G. ... 17/5*  
*Luis de ...*  
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We urge the public to carefully weigh these matters before making their decision on the 18th May. The letter which is being delivered to all the metropolitan morning papers today is signed by 130 professors and staff members, the first signature being Professor Trevor Swan, the Doyen of Economics at the Australian National University in this city where we are meeting and the... it goes right through and the last signatories are from Drs. Ironmonger and Sheehan of the Institute of Applied Economic Research, Melbourne, the Editor and the Assistant Editor of the Australian Economic Review.

I noticed that in his address to you yesterday, Mr. Snedden had doubted that on the 2nd of December the people of Australia had voted for a change and doubted that they knew what they were doing when they voted the way they did. I would merely point out that the program which I put on behalf of the Australian Labor Party in the elections before the 2nd December 1972 had been developed openly over many years. It hadn't emerged from a war council the previous weekend. It hadn't been evolved behind closed doors three weeks before. It in fact had been in print in party documents for months and years before. It had been debated in public. It had been put up in the form of motions and amendments in both Houses of the national Parliament. It was well known, and there could have been no greater, longer opportunity for the Australian people to know what any political party would do if it received their support than was the case before we were elected by the people with a comfortable majority in the House of Representatives on the 2nd December 1972. Now how have we tried to carry out our programs, the ones which we enunciated then? We have put through the Parliament a record number of bills. There has never been so active a Parliament as that which was dissolved three weeks ago. None of the legislation we introduced diverged from programs which we had published and debated before the people elected us to a majority in the House of Representatives. I'm told that in another speech last night on David Frost, Mr. Snedden said that he

would now accept all the legislation that went through except those bills which had been rejected in the Senate. Perhaps then, I can refer to some of those bills which had been rejected in the Senate so that one can see the difference in approach between the Government and the conservative coalition opposing it.

One of the bills rejected by the Senate was the Trade Practices Bill. It followed up on suggestions which had been made by Liberal attorneys-general including Mr. Snedden himself. In particular, it wanted to ensure that companies could not - by collusion - fix prices between them. It also had an extensive code for customer protection. We have said we would introduce such legislation. We introduced it 9 months ago. It came up for debate on three occasions in the subsequent months in the Senate where it had been introduced first. On each of those three occasions, the Senate voted not even to debate the bill. Then there was the Australian Industry Development Corporation Bill. It was an expansion of a bill which Sir John McEwen had been able to get through our predecessors over the opposition of many Liberal Ministers, including Mr. McMahon was at that time the Treasurer. It was designed to give Australians the opportunity to stake out a claim for a share in basic industries. It was to prevent the takeover of those industries. It was to give the national government the resources to prevent a further erosion of Australian ownership and control in basic industries. That was rejected by the Senate. Then there was the Health Insurance legislation. There surely could have been no program which had been so widely discussed. It was discussed not only in the 1972 House of Representatives elections, but in the 1969 House of Representatives elections. It was discussed in the Senate elections in 1967 and 1970. Our legislation completely accords with the program which we outlined on so many occasions for the people. Then there is

the Petroleum and Minerals Authority legislation. That has been twice rejected by the Senate. It is designed to enable the taxpayers through a government instrumentality to take a share in the discovery of Australian natural resources and the development of them. It would give the opportunity for Australians through their own instrumentality to learn the scientific and economic basis of these basic industries, based on our natural resources. It follows legislation which was the means by which France and Italy and now Canada are taking a share in the discovery and the development of their resources. It would avoid the situation which arose - under our predecessors - whereby 68.3% of our energy resources - our oil, our natural gas, our uranium and our coal - are controlled from overseas. Add the metallic resources - the iron ore, the bauxite, copper, lead, the zinc, titanium, magnesium and so on - and you still have 60% controlled from overseas. It was a means of avoiding that overseas control becoming still more dominant. Twice rejected by the Senate.

Then there are the electoral bills. In particular the bills which would have given votes for the Senate for the people enrolled in the two territories. We put the proposition at the last two House of Representatives elections - I believe it's a proposition overwhelmingly supported in the two territories - but the Liberals, Country Party take the attitude the Senate is a States House. And then there was the legislation unanimously recommended over 15 years ago that the variation from the average enrolment from electorates in any State should not be more than 10%. You shouldn't have the present 20%. The 10% maximum variation was endorsed by Country Party as well as Liberal and Australian Labor Party members of the Constitutional Review Committee set up by Sir Robert Menzies in 1956 reporting to the Parliament unanimously in 1958. The legislation was twice rejected by the Senate. Now there were other bills too, but I give those basic ones because many of them are bills upon which the Governor-General said the Parliament had become unworkable and therefore we were entitled to have an election for the whole of both Houses at the same time.

Now, that's what we've done by way of legislation, in carrying out our programs. Then, the rest of our programs - I pointed out to you when I last spoke to you - would be based on expert advice. It was well known before we came in that there was not in the state public services or in the federal public service enough men and women who had been given the responsibility of investigating and recommending courses of action dealing with what were seen to be problems for the Australian people, but problems which could not be solved unless governments took some action about them. And I'm reminded that I said at the gathering like this before the elections in December 1972 the key channel for communication between the Parliament and the people will be a number of expert commissions making regular reports and recommendations on new spending. These bodies will not merely be exercises in more efficient, more expert administration of public affairs - they will be an expression of our determination to keep the public informed and to keep the public involved in the public debate on the great national affairs and the great national decisions. We have been as good as our word. We have - where we've been able to get the legislation through - set up standing commissions. The chairman, sometimes also the deputy chairman, have been full time. But the rest of the men and women appointed to those commissions have been experts in state public services, universities and various professions and organisations. They have been happy to serve on these bodies knowing that whether the government accepted their recommendations or not the Parliament and thus the people would be told what the recommendations were. We've sought to end the situation where the government was regarded as the only body which was entitled to know what the experts recommended. And there was - before we came in - a very great disillusion among academics and heads of commerce and other organisations about the use that they could be to the public, particularly in advice given to governments. We have ended that suspicion, we have involved them, there have been scores - as you know - of professors and captains of industry and managing directors and directors who have... and state public servants as well

as federal public servants who've been willing to be named and identified among those who were advising the national government. And in every case the report has been made promptly available. It's been made available usually before even the government has made up its mind upon them. And the consequence has been that if the government has differed or delayed on these reports, then the public was able to make a judgement and assessment itself. It's remarkable the extent to which there has been support for and acceptance of these reports. And the big initiatives we've taken in development of programs have been along these lines. That is the increases in government expenditure which we've undertaken have been on the basis of public reports by experts which the public have themselves received, and the cuts in public expenditure we've made, amounting to well over 400 million dollars a year, have been on the basis of such expert reports available to the public. Now people don't demur at what's in these reports - they accept the facts. They acknowledge the validity of the recommendation. It doesn't stop them criticising us when we act upon them but in all these matters that we've done the public's known why we did it - on whose advice we acted - it's not been secret. It's not been delayed. It's been available promptly and fully and we believe by this process there's been a rational enquiry, rational development and rational allocation of our natural resources and our human resources such as no previous government has been willing to bring about. And even while this campaign's been going on there have been many such reports received. They're being printed and a summary of them has been published. Now let me mention some of them.

There is Sir James Vernon's report on the post office, the biggest business in Australia but one which certainly needed a review and investigation. And now that it has been made available, Dr. Coombs will conduct the Royal Commission into the rest of the Public Service. There has been no enquiry into the Public Service in Australia for over 50 years. There has been in the United States, Canada, Britain, so many other countries but not here. We are the people who

have thought about it. Then there's been Sir Walter Scott's enquiry into government procurement. He pointed out the inefficiencies, the waste, which have been caused by the inherited system of purchase by the Australian Government. Then there's Professor Crisp's report on the collection of statistics and data. So often, departments and instrumentalities have collected information and kept it to themselves, not even given it to each other, still less the public. The report here has been received and published. And I recall the very significant ones that we've received previously. It was Mr. Rattigan's committee which gave us the basis for the tariff cut across the board of 25%. It was Sir John Crawford's report which led to the transformation, the strengthening, the widening of the tariff board into the Industries Assistance Commission. It's now Tom Fitzgerald's report which has made the public aware of the implications of mining policies which we inherited. There's Professor Karmel's various reports on the schools and on the open university and there could have been no greater increase in government expenditure on any subject than there has been flowing from Professor Karmel's report on the schools. We sought it early, we published it immediately, we adopted it in full and the Liberals in fact voted against the application of the report twice, when it first came in both Houses and in both Houses again when the Country Party and DLP at last let it through. There's Professor Cochrane's report on adult training and retraining. There's Mr. Cangen's report on technical education and further education and I conclude with Mr. Justice Woodward's concluding report on the Aborigines. Now, you will notice that these reports have been quite basic. There have been no such wide-ranging basic reports into our natural and human resources in the memory of anyone in this room and they are all promptly available to you and to the public. The only difficulty's been that after a dearth of information before we came in you've now had a flood of information and we are accused of not letting the public know fully the implications of our programs. I acknowledge and I guess you, as practising journalists, would all acknowledge the difficulty of getting through the full text

and facts and recommendations disclosed and made by these expert bodies. But never let it be said that the public wasn't fully informed. They were told what our objectives were and when we have sought further advice they've been told what the advice was. And I suppose this applies particularly to the biggest new commitment that I've been able to make on behalf of the government during this campaign, and that is the commitment on the care and education of boys and girls under five years of age. When we came in, as I frankly admitted to you, and in my policy speech before the December 72 elections, there was not the information available in government circles - state or federal. There was no coordination of the information between community groups and voluntary organisations. The people who knew about these things had never been asked for their views - for the information, for the facts that they had, their views as to what should be done about it. We promptly asked a committee under Miss Joan Fry to make a report on it. We asked the Social Welfare Commission, under Mrs. Marie Coleman - the first woman ever to be the head of an Australian government instrumentality or département - we've asked the Priorities Review Staff in the Department of the Special Minister of State to review all these things, make recommendations and accordingly we now have a fuller program than has even been proposed before, for that 1,300,000 - boys and girls under five - as many people under five as there are over 65. We would never have ventured, surely, to neglect those 1.3 million people over 65 as we have the 1.3 million under five. And hundreds of thousands of them without anybody to look after them - no parent - throughout the working day. Well, of course it'll cost \$130 million this coming financial year. It's a very clear contrast to our opponents who would be prepared to spend on this overall matter of day care and pre-schools, \$20 million a year. We've spent \$18 million in the last six months - a big contrast. But you know why we're doing it. Everybody's told. Nobody knew before we collected the information and sought the advice.



Now I suppose you'd expect me to say something about the alternative package. I'm indebted to you for examining so many aspects of it. It ought to be enough for me to refer to some aspects myself. I gather there is to be in this alternative package, if the public bought it, an incomes and prices freeze. I must confess and I've devoted a great deal of attention to the proposals, I find no company, no organisation or employers or employees who is prepared to support it and every country which has tried it over the last year or so has now abandoned it. It was first started on President Nixon's support idea, two and a half years ago in the United States, the Congress has at last abandoned it as counter-productive, but one would have thought that any effective freeze of prices would cover meat and fresh food. Now, as one of my opponents has said, it's impossible - it may be possible to freeze meat and vegetables, but it's not possible to freeze the prices of it, and I'm not reassured by my other opponent saying it can be done, it will be done. Well, I wish they would agree on how it'd be done and then of course there's the price of petrol - the cat being let out of the bag, the tiger being let out of the tank, the ESSO tank - and the simple fact is that there is not a shred of evidence to say that oil exploration in Australia is more expensive or less profitable than in any other country in the world. The only thing that's happened is that other countries have usually put up their taxes and royalties very highly. But we haven't. There's no need whatever to increase the price of crude oil by 40% or any other percentage to continue to get what has already been discovered in Australia or to encourage people to go out and search further. If you can't have a limitation on prices of such things as meat and vegetables and fresh fruit, which everybody consumes, or the price of petrol, which everybody directly or indirectly is affected by, then it's very difficult to see how one can have any limitation on prices by that method at all. And then of course there's the freeze on incomes. I'm not impressed

by the constant assertion that somehow the Arbitration Commission's awards would be made inoperative. Now that word does not come from Tony Eggleton, I'm sure it comes from Ronald Ziegler, and the... but however impressive the word may be, however impressed you may be by such statements used in other circumstances, there is the fact that finally the High Court would decide. And the Chief Justice, Sir Garfield Barwick, said this in 1967 in the total wage case: "The Parliament is unable itself to legislate the level of wages to be paid, nor has it power to direct the Arbitrator as to the level of wages he shall prescribe in the settlement of a dispute as to wages." The constitutional power requires that settlement of the dispute be left to the arbitrator. I thought everybody knew that. I'm surprised at anybody aspiring to be Prime Minister of the country being ignorant of it or trying to conceal it. The fact is that the only way to exclude the Arbitration Commission, to make its awards inoperative, is to abolish it. As long as it exists then, under the Constitution, it has the authority to conciliate and arbitrate in the settlement of industrial disputes extending beyond the limits of any one State. If you abolish the machinery, then of course, like the inter-state commission, it can't exercise its constitutional responsibility. I don't believe the Australian public will support the idea of abolishing the Australian Conciliation and Arbitration Commission. Now, in all these matters I was not reassured by a statement Mr. Douglas Anthony issued today. "Mr. Snedden and I have had discussions to try to tie in all the loose ends and to look for weaknesses that probably exist." Now I would have thought that Mr. Anthony, who for twelve months has been urging the absolutely unprecedented and unprincipled course - that a House of Representatives, recently elected, should be refused the money to carry on its program by a Senate - half elected 3½ years ago and half 6½ years ago. - I'm surprised that he should have been urging this course so long without having been able to evolve an alternative program. Perhaps it's not so much to be wondered at that Mr. Snedden hadn't been able to do it.

But - let me show in practice what has been done in some of these respects because the two Right Honourable Gentlemen have, in the past, had responsibility in fiscal and monetary matters - let me deal with some of the monetary matters.

There was, as you know, a very big dispute between them and their colleagues about the value of the dollar before Christmas 1971 and in that Holy Season there was an unholy row for three days and for three nights. And the wrong decision was made. Again there was a dispute as to the inflow of overseas funds on loan. And in consequence for the six months before we came in, the amount of money circulating in Australia rose by 17%, There was no equivalent increase in production. In fact there were a very great number of men and women out of work. Productivity increased by 2%, the money supply by 17% and the Treasury and the Reserve Bank had been urging them throughout the year to do something about the value of the dollar and the inflow of overseas funds. No legislation is required for those purposes. All that is required is an administrative decision. When we came in, promptly we examined the position, we accepted the advice and everybody, including all the leading economists in Australia, right up to today's letter, have endorsed what we've done. And none of the things we've done have earned many plaudits at the time. We have trodden on many toes, special interest groups, they resent it I feel, I hear, but undoubtedly the public has benefited from it. Now these were tough decisions. They were decisions which had been shirked by our predecessors, they were decisions which we had promptly made.

I conclude with a reference which I gather Mr. Snedden made to you yesterday and which he had also made in the Parliament, and I would have thought that he would have understood the situation better by now. Because, not only was he formerly a Treasurer and should have known some of these other matters

I quoted, but he was also an Attorney General and he stated as regards these referendums, that there was no need to carry the referendum to synchronise the elections for the two Houses, but the fact that the elections for two Houses were being held at the one time, next Saturday, would automatically synchronise them. Of course, the Constitution says that when there's been a double dissolution the term of the Senators will date from the 1st July preceding. The Constitution also says that Members of the House of Representatives can have three years term from the first meeting of their House. That means that as the Constitution stands, the Senators would have to come up for election before July 1976, somewhere in May 1976. The House of Representatives wouldn't have to face the people again until July 1977. Now not only does the Constitution say this, history bears it out, because after the last double dissolution in 1951, there was another Senate election in April 1953 and a House of Representatives election in April 1954. So that is a very clear example why that referendum should be carried. Because the next election should be, again, for both Houses at the same time and that is what the first referendum is designed to achieve, and it was recommended back in 1958 by the Constitution Review Committee appointed by Sir Robert in 1956. Now, I won't go through the other referendums - there are equally valid reasons for all of them. Three of them date from recommendations dating from 1958, the fourth one, the local government one, dates from what I was saying to you before the last elections, what had been in the Party Platform before that. They're well known. Local government should be involved in the Australian national financial set up. Ratepayers alone cannot be expected to finance the things which federal and state governments and public services can't most appropriately supply, but which these days can be best supplied on a local basis, by the councils, community groups and voluntary organisations.

Ladies and Gentlemen,

I've said enough, I think, to illustrate the differences there are before the people next Saturday, and I believe that the government deserves their support because it has a complete program. It has stuck to that program. It's tried to keep faith with the people and we have made available to the people all the advice and the facts on the further developments of programs which we were committed to introduce.

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## QUESTIONS AND ANSWERS

QUESTION: Average weekly earnings for the March quarter will be coming out in about two weeks time. They're expected to show an increase in the past year of something like 17%. They won't reflect the increases from the National Wage Case or the GMH settlement or the Metal Trades Industries Settlement that took place recently. Would you expect to bump it up to something like 20 in the next two quarters. The Conciliation and Arbitration Commission has pointed out that part of the reason for the increase is that the wage system at the moment is allowing large parts of the workforce to double up on the national increases that it's awarding. Now I was wondering whether you could tell us and it's called a conference, between the parties for the national wage case...I was wondering whether you could tell us what instructions representatives from a Federal Labor Government would have if they attended such a conference and whether you could be a little more explicit about the form your intervention would take in cases coming up before the Conciliation and Arbitration Commission from the unions that you said could be (unclear)

PRIME MINISTER: The attitude we would take before this conference - this is the conference which the Arbitration Commission said in its judgment on the 1974 National Wage Case it would be holding in 6 months' time to consider - to evolve a formula for relating the wages, the award payments which it set, to any increase in the cost of living. You know to bring about automatic regular cost of living adjustments. Is that the one you're referring to, Mr Bracken? - Yes - Well the attitude we would take before that conference would be in accordance with the brief on indexation which

the Cabinet approved and which was put before the Commission during its hearing of that case. Half of the industrial disputes in Australia in the last year have been due to the fact that people have resorted to direct action to maintain the value of their award wages. And we believe that by having a regular adjustment of those wages and salaries every quarter or half-year - whatever the Commission agrees - would reduce that sort of pressure. Quite apart from being a matter of elementary justice. The Commission's predecessor did adopt that from about 1921 to 1953. And the course neither promoted nor put a brake on inflation. The effect of it was neutral. So that is the attitude we would take. I suppose the brief on indexation which the Department of Labour prepared and which the Cabinet endorsed for this recent case, would be reviewed. But nevertheless, that is the general attitude we would take at this conference, which you remember my colleague, Mr Clyde Cameron applauded when the Commission announced it in its judgement.

QUESTION: The election campaign so far has been largely a contest between yourself and Mr Snedden. Has Mr Snedden performed better than you thought he would.

PRIME MINISTER: I suppose he had to.

QUESTION: You referred at some length, during your speech to the fact that your government has released a number of reports on a number of matters. But I would like to point out that on a number of major questions, such as revaluation, tariff cuts, and the Coombs Report and a number of others; no reports were seen before the Government made its decisions. Now in cases like this, do you intend to continue making decisions without releasing the reports on major matters and only releasing reports on minor ones.

PRIME MINISTER: The Coombs Report was released on the same day as, and in company with, the Budget papers in August. It was considered in the preparation of the Budget four weeks before that. There were a very great number of budgetary implications in the Coombs Report. If

we had released the Coombs Report before the Budget came in there would inevitably have been speculation as to what would be in the Budget. The Coombs Report was accepted in part, rejected in other parts and accepted with modifications in other parts again. So this was clearly a budgetary document. It was tabled with the budgetary documents. And so it doesn't come into the category of matters where you release a report before you have made a decision. Tariff Board reports, Industries Assistance Commission reports, as they now are, are released immediately unless the Commission itself recommends that the publication of the report would cause speculation. Where it so recommends, and it hasn't in any of its reports up till now, we would not publish the reports until the Government's decision had been announced. But we have published all its reports up till now as soon as they have been able to be printed, even if the decision hadn't been made, because the Commission itself said there would not be speculation if those reports were published as soon as they could be printed.

QUESTION: You were elected eighteen months ago partly on a promise of open government. And I can see that there has been a great deal more information available to the people in the various commissions you set up. However you were elected more specifically on a promise of a freedom of information act. This has not yet been forthcoming, some public servants might say that an intelligent politician breaks a stupid promise. However I note that the Queen renewed the promise in her speech last February. Sir, are you having difficulties in getting this bill out of the bureaucracy, are there difficulties in implementing a freedom of information act, have you as one of your close advisers said, and he is very close at the moment, been snowed by the public service.

PRIME MINISTER: I did undertake to introduce a freedom of information act. The Queen made the same promise when she opened the last session of the last Parliament, and the bill has been drafted. And in my policy speech on Monday fortnight I stated we will proceed with our freedom of information act. We will also appoint a civil ombudsman and that is in the same general context, we have already appointed



a military ombudsman. I have instructed the Public Service Board - they may have already done it - to repeal the statutory rule 34B which makes it illegal for public servants to comment on these matters. It has been discussed between the Public Service organisations and the Public Service Board. And on the agreement between them, I have directed that the rule be abolished. The whole question of relations with the Public Service will be among the terms of reference of the Coombs' Royal Commission into the Public Service.

QUESTION: Prime Minister, I hadn't intended to ask you this, but since you have just mentioned the point to us, the understanding of those organisations with which some of us are involved - talking to the Public Service on Section 34B - is that far from repealing it, they are devising a more complex, and in our view, no less restrictive form of words, than exists at present. Now if your understanding is that you have directed them to repeal it, would you remind them that that was the intention.

PRIME MINISTER: No they are aware of it. I have told them that there are to be no guidelines which are more repressive than the regulation. The guidelines of course wouldn't have the force of law. They would be a gloss upon the provisions of the present act. But the regulations which made certain courses illegal, are to be repealed. I am told that the course I have directed to be taken, meets the wishes of the Public Service organisations which have been thrashed out in discussions with the Public Service Board. I am rather sorry that it has taken so long, but I am told that this is what they all wish now and so therefore, at the earliest moment, I have done it. But the Public Service Board, the public service organisations, all interested people, will certainly be welcome to give their views in writing and by word and through representatives, to the Royal Commission on the Public Service.

QUESTION: The formal structure fore pre-election briefings with the public service for the Opposition, fell through. Do you intend to do anything about getting formal guidelines for those properly working well before another election and whether you are back in government, or whether you are in opposition, will you work for rather more contact with the public service for the opposition party during the time before an election.

PRIME MINISTER: I didn't understand your question at first, because I didn't realise you were referring to briefings of spokesmen for the Opposition on these matters during the run up to an election campaign. I made that undertaking, I honoured it. Mr Cooley, the Chairman of the Public Service Board, was immediately in touch with Mr Snedden. You know the subsequent correspondence. I am assured that what Mr Cooley offered to Mr Snedden was fully in accordance with the British practice which I undertook to apply in Australia. I have honoured my obligations. I think it is a proper course. I don't believe that any opposition should find itself in the situation that we did, where the Public Service Board had in fact sought permission from Mr McMahon to confer with me and my designated shadow ministers, on any changes in the case of a change of government and Mr McMahon wouldn't allow the discussions to take place. I said that such discussions should always take place. I might elaborate that the difficulty for other members of the opposition was that Mr Snedden would never designate who they would be with. You couldn't have half a dozen people discussing things with every permanent head of every department. But I was perfectly willing for any person that he designated as having the shadow responsibility for any department to confer with the head of that department. But he never designated any of them. He said he would nominate who would be his ministers, he has never done it. If you can't nominate who would be your Treasurer how can you nominate who the lesser ones would be. Mr Snedden could have had from the Public Service Board or from any permanent head the full facilities that any Leader of the Opposition has had in Britain. And I might point out that I have said that

Mr Peacock for instance can be briefed by anybody in the Foreign Affairs Department. I have said that Mr Snedden can. And Mr Snedden has been fully briefed as to all internal or external security arrangements to which the Australia Government is a party. That is there is nothing that I have said should be withheld from an alternative Prime Minister.

QUESTION: Has there been any contact between the Opposition and the public service during the course of the Parliament?

PRIME MINISTER: There have been. For instance, Bill Hayden has done this with Mr Chipp, to give an instance I know. I have heard of no instance where an opposition spokesman wanting to be briefed on a particular matter, hasn't been given that opportunity. I know of no instance where it has been refused.

QUESTION: May I join you in quoting from the transcript of your address to the pre-1972 election Press Club Lunch in which you were asked, "will you publish Treasury's detailed economic forecasts" and you replied - not in a referendum context - "Yes, yes, yes, I would publish the Treasury's economic forecasts." You criticised Mr Bury for not having done so. And you said "I have been quite firm in not giving any undertakings to do things which I wasn't quite certain that an incoming government could do in the lifetime of the Parliament, elected on the 2nd of next month." Does this mean that you have not been successful yet in getting the Treasury's economic forecasts published and that you will do so in the life of the next Parliament?

PRIME MINISTER: I still incline to the view that they should be published. But the contrary view is pressed upon me by the authors of these documents and I suppose I can summarise their view without injustice to them by saying that if what they forecast or advise is to become public property, they would be more reticent in what they write and advise. It is a point of view which I have to weigh carefully. But there are other advisers to me, I suppose

there is no mystery about it - Dr Coombs and Professor Gruen for instance, who believe that these should be published. That is my inclination, but the Parliament didn't go its full life as you know. I would certainly think that within 3 years from the date I gave that undertaking, I will be able either to fulfil it or to acknowledge that in the light of further advice I don't believe I should honour it. But it is a worrying question. I can't be dogmatic about it. I'm still inclined to the view that these should be published but it's not easy to know what's done in other countries and to what extent. It's something that I want to discuss further - on the spot with them. But I would think that well before 2 December 1975 I will be able to give you a clear reply to it.

QUESTION: Yesterday, one of your friends in the press gallery, suggested that you were in a position to make political capital out of the Victorian Liberal Attorney-General's granting a fiat to a group of citizens to challenge the legality of State aid. Could you tell us how you can make political capital out of the fact that Mr Hartley is one of those people seeking to challenge the policies granting aid to independent schools and also that another was your appointee to the Schools Commission. I think Mrs Turner is associated with the D.O.G.S. in seeking to overturn what apparently is still the Government's policies.

PRIME MINISTER: I've never discussed the matter with Mrs Turner. The fact is of course that she is one of the members of the Karmel Committee which was unanimous on these points. It maybe that the lady has changed her mind. The document was signed some time ago and I think by Mr Hartley and Mrs Turner and the other 30 odd signatories to it. But the point is that whatever their views might have been then or might be now, there could be no challenge in the High Court to this legislation unless a State Attorney-General gave his permission, gave his fiat, his let-it-be-done. For ten years D.O.G.S. and others have been seeking the permission of a State Attorney-General, Liberal or Labor, in every State, to allow a challenge to be made to

Commonwealth legislation providing funds for Church schools. For ten years they have contacted every Attorney-General in every State of both sides of politics. And Mr Wilcox's predecessor or predecessors as Liberal Attorneys-General in Victoria over the last ten years always refused their permission, their fiat. Mr Wilcox has granted his. So whatever may be the view now or then of Mrs Turner and Mr Hartley and the other estimable signatories, the fact is that however many signed it, whatever there were, whatever they said, it would never have got to the High Court but for an Attorney-General having at least been found after ten years, to give his permission for it to be taken to the High Court. Now in these circumstances it is regrettable that the hundreds of thousands of dollars will have to be spent out of our taxes in resisting such a claim in the High Court. The challenge would never have got there but for a State Attorney-General having given his permission. And it happens to be the Liberal Attorney-General of the State of Victoria.

QUESTION: I would like to move from Australia to Foreign Affairs. Would your government if returned press nations on the litoral of the Indian Ocean to regard the re-opened Suez Canal as a non-military area.

PRIME MINISTER: All nations, around the shores of the Indian Ocean and on all the islands in it, want the Indian Ocean to be kept free of great power rivalry. I can't speak for the government of South Africa, I don't think it has expressed a view on it, I am not aware of it. But it is certain that every other nation in and around the Indian Ocean seeks to keep the great power rivalry out of it. They don't want the Soviet Union and the United States to escalate their rivalry in the Indian Ocean. And the re-opening of the Suez Canal would of course facilitate the passage of the very large fleets of the two super powers, from the Mediteranean into the Indian Ocean. Certainly as I understand it, they all want the Suez Canal re-opened, but they don't want the present naval activity to be escalated. Every one of them is unanimous in that regard.

And we have co-operated with them in the relevant United Nations Committees.

QUESTION: Yesterday you told us that your government would not increase direct or indirect taxes in the next budget. Was this a decision made in consultation with Mr Crean and also, does it mean that if taxation scales are restructured that the high income earner will also be excluded from taxation?

PRIME MINISTER: I hadn't had a specific discussion with Mr Crean before I attended that particular press conference - at least I know who my Treasurer will be before I hold press conferences - but his general view is the same as mine that there is no need to have an overall increase in direct taxation or an overall increase in indirect taxation in order to fulfil the programs which we've initiated, both those which are under way and those which we are about to launch. There are of course, very many more men and women working and productivity increased by 6½ percent last year as against 2 per cent in the previous year, 1972. And as I said in the Policy Speech in November 1972, we believe that our programs can be financed from increases in productivity rather than increases in taxation. So I make the overall assessment as to direct and indirect taxation. Now as regards direct taxation, in particular, I have mentioned the restructuring of the tax scales it's a term I used in November 1972 and it's a term I used last month. I've used it on both occasions and it's the term I repeat now. And I've spoken on both occasions in the context of the committee of inquiry into taxation under Mr Justice Asprey, which Mr Snedden appointed in September 1972. We supported the appointment of it and Mr Crean and I have discussed these matters with Mr Justice Asprey - I myself of course have known him, oh I suppose for well over thirty years - and with members of that committee. We haven't of course sought to know what its recommendations will be, but we have asked that the recommendations be in our hands by 1 June - that will give us plenty of time to discuss the matters before we have our Cabinet meeting on the Budget in August, which will be about

4 weeks before we introduce the Budget in September. The only suggestion that we've made to the Asprey Committee which is not in its terms of reference as settled by Mr Snedden is that it should consider taxation discrimination against women. There was no such reference in its terms of reference, we think there should be and we believe that it will take that into account when it makes recommendations on the whole range of matters. We have not pre-empted the findings of this very expert committee.

QUESTION: In your first Budget you had a 20 percent increase in government spending, you increased indirect taxation and you had a deficit budget. How would you have in your 1974/75 budget tax cuts, and a 20 percent increase in government spending and how would be balance the budget or bring down a surplus budget?

PRIME MINISTER: We might be in balance this year. There's about seven weeks to go before the final accounts for the year come in. We did budget for a deficit this year but in fact we mightn't have a deficit. We might be in balance this year, but as I believe that every economist would advise in times when there is inflation, it is inflationary to budget for a deficit, and we would therefore expect to balance our budget or even, if other commitments could still be met, to have a surplus budget this year. Now your reference about a 20 percent increase. I take it you are making a selective quotation from what was said by me on Frost - which you'll all be watching tonight. Now perhaps I could get the quotation from this here just to put in in full context. Mr Snedden apparently has given Mr Frost some question to ask me, and one was about this business with Syntec Newsletter, the people who brief Mr Malcolm Fraser about whom Mr Snedden has at least said - he won't be Treasurer. Now, Mr Frost asked me: "would there be an expansion needed by less than 40 percent but more than zero" and I said yes. "What would you guess it was" - "midway, midway around 20 percent. Off hand I'd say that, obviously there would be that amount in some fields and less than that in others." "But the average would average out at about 20 percent maybe, but I wouldn't think any more

than that." I should make it plain that the expenditure by governments in the last year in Australia has not gone up by as high a percentage as the expenditure by individuals and companies. Government expenditure is not rising by the overall national percentage.

QUESTION: Sir, in answer to the first question that was asked today by Warrick Bracken, you said that the use of the cost of living adjustment or indexation of wages had neither promoted nor put a break on inflation, that means it's useless as I've said. What then, in view of your assessment of the uselessness of indexation as a measure against wage cost inflation, do you propose to control the problem which Warrick Bracken referred to, of 20 percent and above increases in the wage costs that are in prospect?

PRIME MINISTER: You would not be correct in taking it that I said it would be useless. What I did say is, it would bring justice to the men and women working under the awards of the Australian Conciliation and Arbitration Commission, I also said it would promote harmony in industry. It would do both those things.

QUESTION: But you were saying it would be useless as an economic tool against inflation, I take it.

PRIME MINISTER: I'm not saying one does it in the context of inflation at all. It is neutral in its effect on inflation. May I repeat again so you can take it correctly. It will lead to justice for the men and women working under federal awards and it will bring about harmony in industry. Both are worthy objectives. It was for those reasons that we sought indexation from the Commission in the 1974 National Wage Case, it is for those reasons that the Commission, for the first time for twenty years, decided to consider the matter. It will do so within six months - we will promote that conference.



QUESTION: I was going to ask you about housing but last night down at Chelsea Town Hall, you said that you would, the Labor Party could, get Issacs, Henty, Deaking and even Flinders and Bruce. Mr Hawke said earlier this week that the Labor Party could win by 20 seats. Mr Snedden said last week that he could win by 15. Are you prepared to give us a prediction now and if not could you tell us what your views are on the wisdom of political leaders making such forecasts?

PRIME MINISTER: I'm much more in agreement with Mr Hawke than with Mr Snedden. I don't necessarily volunteer these matters, but if I'm asked a question, of course I give a civil reply and I believe a sensible one. I'm going to treat you bush lawyers with respect. You're all the members of the same rat pack as far as I'm concerned. I wish I had the same freedom to pontificate as you have. Now I want utter silence while I give this answer. You ought to bring your wives and companions round during the trip you know, it makes you much more agreeable. This has been the most unharried, harmonious meal we've been able to have for over a fortnight.....

PRIME MINISTER: The choice on Saturday is between a confused and divided Opposition and a strong, united Government. It's between an Opposition confused and divided on inflation and a government which has shown it can take tough courses of action to cure inflation. Its between an Opposition whose policies brought about inflation and a Government whose policies have produced the biggest drop in the rate of inflation during the March quarter of any of the worlds large industrial and trading nations. Its between an Opposition pledged to the sell out of Australian resources and a government pledged to preserve and promote Australian ownership. Its between an Opposition committed to cut back schools expenditure by \$300 million a year and a government that has opened wide the door to new educational opportunities for all Australian children. Its between an Opposition representing rich sectional interests and a government

representing all the people. Its between turning back  
and moving forward. I believe the Australian people will  
move forward. Forward to a brighter and better future.

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