

PRIME MINISTER'S PRESS CONFERENCE  
PARLIAMENT HOUSE, CANBERRA  
TUESDAY, 3 DECEMBER 1974

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Gentlemen, are there any questions?

QUESTION: Will the Federal Government appeal against the decision on Public Service wage increase by Mr Taylor?

PRIME MINISTER: The decision of Mr Taylor is under consideration. That is all I can say at this stage.

QUESTION: By Cabinet?

PRIME MINISTER: It is under consideration.

QUESTION: What percentage would you regard in the Queensland elections as the cut-off point which you consider Labor to be holding ground or gaining ground or losing ground?

PRIME MINISTER: I have got nothing to say on that.

QUESTION: Under what circumstances would the next elections come for the Ministry? Do you have any plans for something preceding the Senate half term - might that be the occasion, or do you not see this happening until the next house election?

PRIME MINISTER: The normal time is after there is another election for the House of Representatives.

QUESTION: Do you see nothing coming ahead of that?

PRIME MINISTER: I know of no steps.

QUESTION: Last week Dr Cairns said that he believed the Government's first and most important job now must be to look at a possible reduction in the level of indirect taxes. Do you share the Deputy Prime Minister's view that the economy needs further stimulus and, in particular, do you think that indirect taxes should have top priority in this area?

PRIME MINISTER: I don't believe Dr Cairns said that indirect taxes would have top priority. I certainly don't believe that they should. To reduce the Consumer Price Index by one percentage point would require a reduction in indirect taxation, Federal and State, averaged over Australia equally of \$400 million. I believe there are very much more effective ways of coping with the twin problems of inflation and unemployment than by reducing indirect tax. The form of indirect tax which would produce the biggest production in the Consumer Price Index would be in respect of liquor which is both State and Federal and tobacco which is Federal and also in some States a State tax as well. I don't really believe that it is socially or economically necessary to promote the consumption of liquor and tobacco.

QUESTION: Last week the House of Representatives voted to defer consideration of the Family Law Bill until next February and a number of Labor Party members voted this way in the House....

PRIME MINISTER: And a great number were absent.

QUESTION: And a great number were absent. But, taking account of the number who voted the way they did, does this now suggest that perhaps the Labor Party is as conservative a force as the Opposition parties in the Senate which were able to put the bill through there?

PRIME MINISTER: I believe that a majority of the members of the Labor Party in the House of Representatives - a considerable majority of the members of the Labor Party in the House of Representatives - will support this admirable bill.

QUESTION: Do you believe there is enough members of the House of Representatives will support it to get the bill through in its present form?

PRIME MINISTER: I certainly hope so. But every member of all three parties in the House of Representatives is, I believe, free to vote as he sees fit on this bill. That is the case with the Australian Labor Party, I believe it is the case with the Liberal Party and the Country Party or the National Party or whatever it is called. I would hope that a majority of members of all parties would support this bill.

QUESTION: Prime Minister, are you satisfied that you have the departmental resources to back up your stated attempt to involve yourself more in economic decision-making? If not, what plans do you have to change the structure of your department to help you play that role more effectively?

PRIME MINISTER: The structure of any department is not the responsibility of the Minister, it is the responsibility of the Permanent Head. The Minister can make recommendations to the Cabinet concerning the appointment of Permanent Head when positions of Permanent Heads are vacant but the Minister does not decide the structure of any department and that applies to the Prime Minister with respect to his department top.

QUESTION: Can you expand on whether your Permanent Head has any plans and has he discussed them with you?

PRIME MINISTER: No I can't expand on that.

QUESTION: Do you know of any plans or would you support any plans to try and recommit that decision of last Thursday to defer the consideration of the Family Law Bill to next year?

PRIME MINISTER: I know of no plan. Do any of you? Let me know if you do.

QUESTION: Would you support any moves to recommit that decision?

PRIME MINISTER: If a vote came to recommit that decision I would support it. But I don't know of any moves to do so.

QUESTION: Do you expect the Foreign Affairs and Defence Committee to report on the Omega base before the Federal Conference?

PRIME MINISTER: I don't know.

QUESTION: What will happen if....

PRIME MINISTER: I don't know.

QUESTION: What would happen if you don't get the report before the Federal Conference then in view of the big row at the last Conference on this issue?

PRIME MINISTER: There wasn't a big row at the last Conference on this issue. The Conference supported the idea that there should be an inquiry into the whole issue by the Parliamentary Committee, the Foreign Affairs and Defence Committee, and I think that was supported on all sides. I don't know when the committee will report.

QUESTION: Will you be speaking to us again in this form before you go overseas, and....

PRIME MINISTER: I hope so next Tuesday. I am not quite sure whether the House of Representatives will be sitting but it looks as if it won't be and I would hope to be having this pleasant colloquy at that time.

QUESTION: If you don't sir, perhaps you could tell us a little of what you expect of this trip and do you consider Russia to be the highlight of the journey and what things you might be raising with the Russians? Will it include the problem of the Jewish emigration?

PRIME MINISTER: I have got nothing to add to questions I have already answered on this subject, including the one you mentioned. I answered a question on that on TV 22 hours ago. I am sorry I haven't been able to have these conferences the last few weeks but I had the advantage of the company of many of you there last three weekends in Queensland - north, south, centre, west.

QUESTION: Prime Minister, if you don't appeal against Mr Taylor's decision what does this mean for your policy on wage restraint? The flow-on effects will be quite considerable to the private white-collar sector?

PRIME MINISTER: I don't make that assumption at all. Incidentally, some of the reporting and the headlines on this subject seem to be very much astray. This is the first time, I believe, that Mr Taylor or his predecessors have granted different percentage increases. For instance the percentage increase which he granted to the people on the smallest incomes were 25 per cent. The one he granted to those on the highest was 13½ per cent which is quite a change as far as the Public Service Arbitrator is concerned.

QUESTION: On the dreaded trip again.

PRIME MINISTER: Aren't you coming?

QUESTION: I hope so. During the election campaign you addressed members of the Jewish community at a breakfast in Melbourne and you were reported as saying then that you hoped to include Israel in the itinerary for the trip.

PRIME MINISTER: No, I don't think I said that. I did not say that. I believe I said that I expected to be the first Australian Prime Minister to visit Israel. I am, of course, the only political leader in the Australian Parliament - present or past - who has ever visited Israel. I have visited it four times. I hope to visit Israel and, of course, also Egypt and Lebanon.

QUESTION: On this trip Prime Minister or at another time?

PRIME MINISTER: No, there was never any suggestion on this trip. The statement to which you refer was last May, just before the elections and at that time it was expected I would visit Europe but not the Middle East in June, and that European visit has been postponed to this Christmas/New Year period.

QUESTION: Sir, the Senate has just defeated your Broadcasting and Television legislation by 27 to 25. Do you regard this as significant defeat?

PRIME MINISTER: Let me consider the implications.

QUESTION: Last weekend in Brisbane you defended consumer interests and said that some trade unions and employers were screwing the public. Are you prepared to back up these words with action and oppose any move within the Labor Party to increase tariffs or duties on imported goods?

PRIME MINISTER: I will look at all these matters on their merit. The attitude I take to protection, the assistance to some industries, impositions on consumers in respect of the products of those industries, should be well-known. But as far as I am concerned any decisions should be reached after considering the point of view - seeking the point of view - of all people concerned, and I don't believe that the only points of view that should be considered are those of the employers and employees in particular industries. I believe the consumer also has to be considered.

QUESTION: I refer to the Broadcasting Act which precludes television and radio from being broadcast or televised from midnight on the Wednesday preceding any election - Federal or State. Has Cabinet at any stage considered amending that law?

PRIME MINISTER: There has been some discussion but there has been no decision. And there hasn't been any recent discussions either.

QUESTION: How do you now see the role of the Public Service and, in particular, the Treasury after some of the things that have been said last week and after the reports that were in the papers this morning that you are going to set up a new non-Public Service decision advisory body around you, and after Dr Cairns' decision not to appoint his personal private secretary from the Treasury itself. Does this mean that the Government now regards the Treasury in particular and the Public Service in general as unreliable, that you are trying to set up alternative decision-making bodies or can we expect to see a change back towards the traditional pattern later in the course of this Government.

PRIME MINISTER: You have asked me several questions. I can't pretend that I can remember them. I will therefore not try to give precise answers to them. All that I have done in this matter is to see that the three senior Ministers confer with me and with the Permanent Heads of my Department and of the Treasury and of the Department of Minerals and Energy and the Reserve Bank at regular intervals. This is not a decision-making body, it's a consultative body but I have not appointed and it doesn't fall to me to appoint any of the other bodies to which you refer. Nothing that I have done in this respect would be designed or likely to downgrade or oust Treasury. It should assist in the prompt and comprehensive examination, at the highest level of government, of all economic, statistics and indices.

QUESTION: Over the last few days you have had quite a deal to say about the problems and achievements of the Whitlam Labor Government over the past two years. Sir, could I ask you what would you like to say on December 2, 1975 in terms of the achievements of your Government? What do you see as the problems in the next 12 months, what are you hoping the results will be?

PRIME MINISTER: I believe that within the next 12 months we will see still more of our programs and the institutions we propose in operation. A year ago many of these institutions were still fledgelings - the Cities Commission, the Grants Commission, the Schools Commission, the Prices Justification Tribunal, the Industries Assistance Commission. They are all now very effective institutions. Now in the last twelve months we have set up many other bodies - for instance, the Trade Commission. And I have no doubt that in twelve months time we will see the benefit of that body of the various pieces of legislation under the Australian Parliament's taxation and corporations jurisdiction and we will also see the benefit of many of the local bodies which we are establishing such as legal aid offices and community health centres. I believe that in twelve months time, right around the country, you will see the effective demonstrations of the program which I have outlined over the last two years.

QUESTION: And the problems sir?

PRIME MINISTER: The problems will be of the same kind but less in degree than at the moment.

QUESTION: Sir, within that twelve months would you see a reduction in interest rates possibility?

PRIME MINISTER: A very distinct possibility. I would say a probability.

QUESTION: Recently in a television interview you endorsed the Caucus system as an integral element in the Federal Parliamentary Labor Party.

PRIME MINISTER: Yes.

QUESTION: I am wondering if you could give us your views on members of the Caucus initiating broad economic policies. What would happen....

PRIME MINISTER: The Caucus system, the Standing Orders of the Caucus, don't provide for that. There are committees which the Caucus elects and they make recommendations on matters within their jurisdiction if they wish and they are considered by the Cabinet and then put to the full Caucus.

QUESTION: Do you support that idea of a Caucus committee initiating economic policies?

PRIME MINISTER: No, it can initiate certain ideas but quite obviously the executive which is elected wholly by the Caucus must be the prime initiating body. I don't mind where ideas come from I welcome them. There has been some error by some Caucus committees in presuming to review decisions which have been made under the Caucus Standing Orders by committee and by Cabinet itself.

QUESTION: Following up to your answer to Mr Begg's question, to what extent would you hope to see the interest rate reduction and when?

PRIME MINISTER: I have got no more to say on that.

QUESTION: Prime Minister you mentioned the IAC as one of the achievements of the last 12 months. Are you concerned now at the rather sarcastic manner in which the IAC is being referred to by some political leaders and do you think this might reduce its effectiveness?

PRIME MINISTER: No. I believe the quality of the appointments we have made to the IAC and the statutory obligations of the IAC will survive any such sarcastic comments. The critics of the IAC, I find, don't stand up in general to the IAC itself. I haven't got very much sympathy for those people who criticise the IAC when either they have given evidence to the IAC, which the IAC has found deficient, or when they have not given evidence at all. I think people in assessing the views of critics of the IAC should examine the motives and the performance of those critics. There was a recent case where a State department made a submission on a matter which had been reported on by the IAC and there were also some outside consultants whom my own department asked to report on this same matter. I must say that the State department and the outside consultants didn't stand up very well to what the IAC said.

QUESTION: You made a few remarks about the Public Service wage increase which left us rather up in the air. You said that it being reconsidered. Can you tell us how?

PRIME MINISTER: I said it is being considered.

QUESTION: Well it is being considered. Can you tell us how?

PRIME MINISTER: It is under consideration I think I said. No I won't elaborate.

QUESTION: Can you tell us whether you are happy with it. Do you think it will damage the case which the Government is about to put to the....

PRIME MINISTER: I won't state any views on those either.

QUESTION: Would you like to have power to select yourself for portion of the Cabinet?

PRIME MINISTER: No. I've been asked this question so often and I have always given the same reply. I support the idea of a Government party electing the ministers. I have always said that and, I believe you know I have always said that. I believe the other system which applied under our predecessors was one of the reasons for our predecessors crumbling.

QUESTION: I did say portion though, I never said....

PRIME MINISTER: No, well I have been asked that to. I don't appreciate your asking me questions which then promote me to take up a didactic attitude towards you. But, the fact is that I support the present system wholly. I always have and I have always said so.

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