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PRIME MINISTER'S INTERVIEW
FOR CHANNEL 7 - STATE FILE SPECIAL
PERTH, SUNDAY, 20 APRIL, 1975

Interviewer: Is it possible in the next two years to create a Socialist State in Australia having in mind this awful rate of inflation which confronts you?

Mr. Whitlam: No. Even in the most favourable economic conditions and with a completely different Constitutional set-up, no one couldn't.

Interviewer: Then it follows, would you rather have come into Government at a different time than this awful time into which you have been plummeted?

Mr. Whitlam: Oh sure, it's very bad luck that we have come into office just at a time when there are economic difficulties right around the world. Every country like us has the same sort of economic difficulties. That's bad luck. But at the same time it's your duty, obviously, to take office whenever the public drafts you to do so. So you can't just choose your time. You're in that game and you take it for better or for worse.

Interviewer: It does seem Mr. Prime Minister, that you will be there for the full term this time. There has been a change as far as the Liberal/Country Party coalition is concerned. Does that surprise you?

Mr. Whitlam: As far as the Liberal Party is concerned. I'm sure the Country Party still wants to pursue the old spoiling tactics of bringing about an election whenever it can do so.

Interviewer: Do you see a change in tactics though as far as Mr. Fraser is concerned?

Mr. Whitlam: Oh yes, very definitely.

Interviewer: Does this surprise you?

Mr. Whitlam: No, I thought he would be more rational or better conducted. I'm not wanting to say that Mr. Snedden wasn't well conducted himself although he was always getting up and saying something without being called by the Speaker and that sort of thing but his great error I think was to allow the Country Party to make a scene every day. Every day started off with disruption. Now Mr. Fraser, very sensibly, hasn't allowed that.

Interviewer: As far as the economy is concerned, Dr. Cairns has said that the Government deficit is expected to be \$3,300 million by the end of the year and you've said in the House that you expect this to be reduced. How are you going to do it?

Mr. Whitlam: I don't think it will be \$3 billion it will be nearer \$2 billion but what's caused the deficit of course has been the very large reductions in both personal income tax and company tax and also on motor cars, sales tax, which we've brought about. I know it's constantly asserted that the increase in the deficit is due to increased Government expenditure. It's not that. It's due to decreased Government revenue. We deliberately cut the taxes to spur the economy.

Interviewer: But Mr. Whitlam, Medibank looks like being a certainty. It's going to go ahead on 1st July. Critics of Medibank will say that this is going to increase your deficit out of sight.

Mr. Whitlam: No, that's not so. After all, Government expenditures are not going to be any larger than they were previously for Medibank. There will now be Government expenditures in addition, where hitherto there has been expenditure by or through health funds. But the total amount being spent on health services will not increase. Surely it's a delusion to suggest that what you have to pay up till now to health funds is not a tax. Of course it's a tax. You don't get anything from the health funds. You don't get anything from the Government to meet your hospital or doctor's bills unless you contribute to funds. So sure they were voluntary funds but there was a compulsion. You got no assistance from the Government except through funds.

Interviewer: But you aren't going to be allowed to levy special funds for Medibank.

Mr. Whitlam: That's true. That's not our fault. The Senate twice knocked out the Bill which would have given a levy, I think it was 1.35% of your taxable income in order to finance the Government payment instead of the health fund payment towards those costs.

Interviewer: So the money the people are paying now for private insurance won't necessarily go to the Government unless you increase taxes.

Mr. Whitlam: There's an automatic increase so the reduction in taxes, the reduction in income taxes, will not be as great as it would have been because there will not be the levy for the specific purpose of health insurance through the Government that we propose. After all that's what I undertook at the last two Federal elections, but of course the Senate knocked that out.

So it has to come out of income tax directly instead of a health insurance levy.

Interviewer: Do you expect the non-Labor States to join Medibank or be forced to join it?

Mr. Whitlam: I think they will. It's true that South Australia and Tasmania will join as from the 1st of July. The other States I would expect will join later in the year and there is quite a good chance that Queensland, which has always had free public hospital treatment, will come into the joint funding, Commonwealth and State, of hospitals from the 1st of July. When you talk about Medibank of course at the moment you are talking about the hospital aspect of Medibank. The medical aspect of Medibank, the doctor's bills, that will come in throughout Australia from the 1st of July whatever the States do but since the States conduct the hospitals, the hospital part of Medibank can only come in if the States co-operate. It will only come in in those States which do co-operate. All we are trying to do is do what was done in 1947 - make an agreement between the Commonwealth and States to share the cost of running hospitals on condition that no charge is made for hospital treatment in the standard wards. That is, we are only wanting to do what was done 25 years ago. Menzies ended it in '51.

Interviewer: It's not just Medibank which seems to be a problem and is a problem I'm sure for a lot of people, doctors especially.

Mr. Whitlam: The sum total that we will pay either from taxes from now on or up till now from taxes and compulsory contribution to funds, will be the same. The system will be simpler and more efficient in that generally, instead of having a dozen different funds, you will have one form of insurance.

Interviewer: I would like to lead on from that if I may - to the beef industry, farmers up in arms or miserable anyhow, and companies which are having to curtail their activities. Do you think it's fear yet in Australia that things are going to get out of hand, that money's got to come into Australia from somewhere?

Mr. Whitlam: Money is in fact coming into Australia. The amount of money which has come in in Australia in the last six months or so is very high indeed.

Interviewer: Will it save jobs?

Mr. Whitlam: I think so, yes. Obviously most jobs in Australia, three-quarters of the jobs, are in the private sector and to have jobs in the private sector obviously the

private sector must be growing, it must have confidence to invest. It varies from one industry to another. There are some industries in Australia which find it very difficult to compete with similar industries in other countries producing similar goods to those that we want to buy here. They're the ones that are in trouble.

Interviewer: Can you predict the ones which are going to go?

Mr. Whitlam: No, I don't. The industries which have found it tough in the last year are the ones which will never really in the future be the most thriving industries in Australia. Textiles and automobiles will not be, automobiles will not be the great growth industry in Australia in the next 20 years that they have been in the last 20 years. I think that is quite clear.

Interviewer: What about minerals?

Mr. Whitlam: Minerals is going to boom.

Interviewer: In the Government or in the private sector?

Mr. Whitlam: All the minerals are in the private sector except uranium. All of them. But obviously, Governments have to accept some responsibility and there has been a change since my Government took over in December, '72, in two respects. We do not believe that the National Government could just wash its hands of responsibility in two fields, where up till now, the State Governments did wash their hands of responsibility. One is, that we think our mineral resources should not continue to go into overseas control. Secondly, we think that the development of our resources should pay regard to environmental factors. Now the only way that the Federal Government can exercise responsibility on minerals in the States, is in respect of export licences, and we don't give export licences for future contracts unless there is a proper regard paid to Australian ownership and to environment.

Interviewer: On the subject of uranium which you did bring up. Will any one nation get 'favoured nation' treatment when Australia decides to export uranium?

Mr. Whitlam: No, obviously there are some countries with which we already have an understanding, such as Japan, but the other countries which are interested, all the E.E.C. countries are interested and Iran is interested, there will be no favouritism between them. We will obviously be interested in having propositions from them, mainly in order to see that we in Australia can enrich the uranium. We have known for 20 years how to produce the yellow cake, the powder, we have done that back in the '50's in Batchelor, Rum Jungle and Mary Kathleen,

but we don't know how to enrich uranium. And that's what we want to learn.

Interviewer: Will there be enough money, briefly,, coming in from uranium to enable the high standard of living in Australia to continue?

Mr. Whitlam: I don't say from uranium only. Clearly I think we can be quite confident that there will be as much coming in from uranium in the future as there has been from wool in the past.

Interviewer: The standard of living. Ought we in Australia, because of the standard of living is so high, be afraid of what's happening in Indo-China tonight?

Mr. Whitlam: No. I suppose you're referring to the fact that in Indo-China Governments are being changed but I think it is quite fantastic to suggest that any Government in Indo-China can attack Australia. Such a proposition wouldn't be accepted anywhere else in the world. I don't think it will be accepted in Australia.

Interviewer: When you were Leader of the Opposition you were very keen on what you said was open Government and a lot of people questioned your decision not to table the cables that you sent to Hanoi and Saigon which were supposedly identical.

Mr. Whitlam: I quoted what Mr. Fraser himself had said in that matter and quite properly, that the communications between Governments are never released because if they are, then you cease to be able to negotiate with other Governments. That is, it's never done.

Interviewer: I find it difficult to understand though, why shouldn't it be done?

Mr. Whitlam: I think all Governments take the attitude, when they are dealing with things that concern them, international affairs, the only effective way to deal with them is on a confidential basis. You just don't get any Government in the world releasing the cables that it sends to other Governments or that other Governments send to it. It just doesn't happen. Incidentally the particular one in which Mr. Fraser stated that he wouldn't release the cable or the communications, it appears that no communication was sent. I'm checking on that. That was the original communication sent by the Prime Minister of South Vietnam exactly 10 years ago this month to Sir Robert Menzies, ostensibly to ask us to come and assist militarily in Indo-China. I haven't been able to find it.

Interviewer: As far as South Vietnam is concerned, your Government was very quick to recognise the new Government in Cambodia. If the Thieu Government falls, what will be your attitude?

Mr. Whitlam: Whatever Government takes over and presumably it would be the P.R.G., we would of course recognise it. I have said all along and it's the general practice through the world that you recognise the Government, that is you have diplomatic relations with the Government which has control of the capital of a country. The alternative is to recognise a Government which no longer controls the capital of the country.

Interviewer: If such a thing occurs though, will you give consideration to the position of South Vietnamese refugees coming to Australia?

Mr. Whitlam: We have already. As you know we have already said that the students can stay until things settle down at home and secondly, we have brought quite a number of orphans, that is little kids whom the South Vietnamese Government said were eligible to leave the country and whom the State Governments said had approved adoptive parents.

Interviewer: That displays our new attitude in Australia of humanitarianism and being rational, sensible in foreign affairs. How do you respond to that criticism which, sounds awful to you I know, that we are being naive because that with the new Government in Phnom Penh we hear this weekend that they have chopped their enemies heads off.

Mr. Whitlam: Well wait a bit. They didn't say whom they had executed but there were seven people, that is the heads of the new regime that took over in the last week. There were seven people, they didn't say which ones they had got.

Interviewer: They did name them beforehand didn't they?

Mr. Whitlam: Oh yes, but I don't know which ones they had got. There were seven people, don't let us exaggerate

Interviewer: Would you be angry about that?

Mr. Whitlam: I think they ought to show magnanimity in these matters.

Interviewer: And taking that a stage further....

Mr. Whitlam: ... and I have conveyed that view.

Interviewer: This humanitarian line which we take in Australia, doesn't that leave us defenceless?

Mr. Whitlam: Are you suggesting that Indo-China, any of the countries in Indo-China could attack us?

Interviewer: No, the other way around. Suppose you were angry and the Government was angry at what was going on up there, have we got anybody to send. I'm leading in to defence of course.

Mr. Whitlam: Should we send troops? I think it is absolutely unlikely that Australian soldiers will be sent to Indo-China again, ever. Let me point out that there is nobody in the Federal Parliament who has suggested that. No, wait a minute, there was one man, a Country Party member who was a Colonel up there, but he is the only one who has suggested it. I don't think I can usefully spend my time with you answering suggestions that no elected person is prepared to make. There are no forces in the whole of Indo-China that have an aircraft, or a ship or a missile that could reach Australia and there is no prospect of anybody supplying them with aircraft, or ships, or missiles which could reach Australia

Interviewer: I think that we are trying to get at here, that a lot of your critics have said that you are leaving Australia defenceless, in the sense that we are not building up our own forces.

Interviewer: I am suggesting that if we were in a position where we wanted to act on behalf of a minority group or a group anywhere in the world, would we do it?

Mr. Whitlam: We are prepared to send troops, we have them set aside. We have had them set aside for nearly a year now, to respond to any United Nations appeal for troops, and our armed forces are the best for thousands and thousands of miles around. There is no navy, no airforce, no army which could compete with ours. Sure, if you were competing militarily on the land in South East Asia, we couldn't, our army couldn't. But there's no army that could get to Australia and there's no navy or airforce within thousands of miles of Australia which could compete with us.

Interviewer: We would work with United Nations then?

Mr. Whitlam: Yes, but even if we are alone.

Interviewer: With the Americans?

Mr. Whitlam: Yes, we have arrangements with the Americans. There are facilities here which are of very great value to the Americans. But quite apart from that, let's be clear about this, there is no airforce within thousands and thousands of miles of Australia which could compete with the R.A.A.F. There is no navy within thousands and thousands of miles of Australia which could compete with the R.A.N. and there are no armed forces which could land in Australia which the Australian Army couldn't promptly eliminate.

Interviewer: On the Western Seaboard then of Australia, ought we to be concerned about Russian activity in the Indian Ocean? You want to keep it peaceful?

Mr. Whitlam: Yes, we ought to be concerned about the possibility of the Soviet and the U.S. competing with each other in the Indian Ocean because none of the countries around the Indian Ocean want this competition to come about, still less to escalate.

Interviewer: Is there a balance there at the moment, do you know?

Mr. Whitlam: Yes, there seems to be.

Interviewer: And does this affect our relationship with South Africa? It is suggested this week-end that we might be severing a link with the Republic of South Africa.

Mr. Whitlam: Well certainly there are no military links with South Africa whatever. I don't suppose anybody is going to suggest it. Now there is speculation about whether we should have Qantas going to Johannesburg but these things haven't been decided. In any case a year's notice has to be given.

Interviewer: Still on an aerial basis, there have been from time to time, many reports of Russian submarines in the Indian Ocean. One takes these on face value, they must be correct, but will the Government give consideration to basing a maritime reconnaissance squadron in Western Australia? There was one once here in 1951, but since then nothing.

Mr. Whitlam: Well the facilities for surveillance of the Indian Ocean are better than they ever were. For instance, the airfield at Learmonth will now take any aircraft in the world.

Interviewer: But they have to come from the Eastern States to get to here.

Mr. Whitlam: Oh sure, but all the things that need to be there permanently have, under my Government, been immensely improved. You don't advertise these things but I suppose everybody knows how long the airfield is. It is as long as pretty well any airfield in the world. It will take any service aircraft which operates anywhere in the world and we are getting more maritime reconnaissance aircraft.

Interviewer: We haven't made up our mind yet what we are going to get?

Mr. Whitlam: No, but it's going to be the Nimrod or the Orion, that is the military version of the Comet or the military version of the Electra.

Interviewer: Travel, trips. A lot of critics say you spend far too much time out of Australia.

Mr. Whitlam: That is no longer said. There was a terrific campaign of course last December and January about this but I think the critics have been suitably chastened since.

Interviewer: You are off again soon.

Mr. Whitlam: Yes, of course I am. I'm leaving next Wednesday to go to the Commonwealth Heads of Government meeting in the Carribean, Kingston the capital of Jamaica and surely nobody is going to criticise an Australian Prime Minister going to a Commonwealth Heads of Government meeting. After all there are 34 countries in the Commonwealth and most of them are round the Indian Ocean or in the South Pacific. It is the most important forum to which Australia can belong.

Interviewer: The Minister for Foreign Affairs will be away ...

Mr. Whitlam: He is attending the ANZUS meeting this coming week, and surely it's not going to be suggested that Senator Willessee, the Foreign Minister, shouldn't attend ANZUS.

Interviewer: The three top men of the nation will be away.

Mr. Whitlam: Yes, Dr. Cairns is going to the Asian Development Bank meeting in Manila. The Treasurer always has attended the meetings of the Asian Development Bank since it was established. Now surely nobody is going to suggest that we shouldn't be represented by the appropriate Minister at each of these gatherings. We have always been represented at the Commonwealth Heads of Government meeting, always by the Prime Minister except in Menzies' time when there was a meeting in Nigeria so we sent an Ambassador and at the Asian Development Bank and at ANZUS. Australians expect us to be represented at these bodies and to be represented by the appropriate Minister.

Interviewer: It is an unfortunate co-incidence that this should happen at this time.

Mr. Whitlam: Well the Parliament won't be sitting the two weeks after this coming one, so it will be properly manned and Mr. Connor, a formidable character, a very competent character, will be Acting Prime Minister in a week's time.

Interviewer: I don't want to cast any slurs in this at all, but I remember distinctly asking Mr. Gorton if there would ever be a chance, when he was Prime Minister, that this country would be a sort of Switzerland or Sweden, a neutral country as a catalyst in the world to bring the nations together. Do you see that?

Mr. Whitlam: No, we aren't a neutral country, we aren't a non-aligned country, but very obviously we have to understand the point of view of countries which are not aligned since, I think this is right, every country around the Indian Ocean and most of those in the South Pacific, are non-aligned. Where would be the nearest aligned country to Australia? Japan I would think would be the only one. You couldn't regard Singapore or Malaysia as aligned now, that is, everybody in our region is non-aligned except Australia and New Zealand and Japan.

Interviewer: The latest opinion poll says that if we went to the polls again tomorrow, that you would lose Government.

Mr. Whitlam: I don't comment on polls, but I'm certain of this: that when there is an election campaign and people have to express their views on which of the parties they would like to form a Government, they will chose the Labor Party. I have no doubt that when it's just not a case of expressing dis-satisfaction with the Government-and I don't know of an over-whelmingly popular Government in any developed nation in the world now. All the O.E.C.D. countries, the sort of countries like us, Japan, Western Europe, Northern America, Australia and New Zealand, the Government comes in for a colossal amount of criticism but when there is an election campaign and people have to face up to the question -

Would the alternative be better than what we have had? -
I've no doubt that they will choose us again.

Interviewer: As far as State relations are concerned, the Premier here, Sir Charles Court has often called your Government an obstructionist government, now how can you convey to him or establish a better rapport between Western Australia and Canberra?

Mr. Whitlam: When Sir Charles and I get together we are perfectly civil, courteous.

Interviewer: Yes, he has even said that.

Mr. Whitlam: I have no personal arguments with Sir Charles Court, as a matter of fact I'll be going to the airport with him after this, but I must say that I get a bit disturbed at the fact that outside the country he spends just as much time abusing the Australian Government as promoting the Western Australian Government and this is just not done and I don't think it helps him nor the country overseas.

Interviewer: Isn't this an easy out for any non-Labor Premier, to blame the Federal Government for anything that goes wrong?

Mr. Whitlam: Yes, but it's not done and it's not effective if you do it outside the country. I made a very great number of visits overseas when I was Leader of the Opposition. I had very serious disagreements with the Australian Government at the time but you don't remember that I bucketed the Australian Government when I was away. Billy Snedden, I'm sad to say, did do so when he was in the United States over Christmas. I don't think it does you any good. People in another country look askance when you criticise the Government of your own country. They know that you have disagreements with it if you are in the Opposition but they don't expect for you to disparage it.

Interviewer: But isn't this because of the anxiety of the Opposition if you like, of the free, private sector, that there will be less and less money coming into Australia?

Mr. Whitlam: Whatever the reason for it, there is no justification for it. The money coming into Australia in recent months has been very great indeed. Our balance of payments, whether it is the flow of money or the sale of goods, is very favourable.

Interviewer: What promise would you make to the electorate looking at an election two years hence of course? If you were in that situation now, what are the good things Australia can look forward to?

Mr. Whitlam: To take the particular angle you have, I believe that in two years' time, we will have seen very much more recognition in Australia and overseas, that Australians should determine the pattern of control and development of their resources. That's where we came in. We said it was not satisfactory that all these mineral resources which had been discovered in Western Australia and in Queensland in the 1960's, should be progressively passing under foreign control. Now there are a great number of Liberals agree with our attitude on this. John Gorton certainly did. He was right in my view.

Interviewer: What percentage say can you allow the Japanese trading partners to have in companies? You can't really have 100% Australian ownership.

Mr. Whitlam: We think we can in some things, such as uranium and this would be the general attitude around the world. Although I think uranium, for various economic and strategic reasons, is regarded as a substance which the National Government should regulate single-handed.

Interviewer: What about iron ore and oil?

Mr. Whitlam: As long as there is a preponderant Australian control, that is satisfactory.

Interviewer: Is that 51%, 60%?

Mr. Whitlam: 51% I would think. Control can be achieved without ownership but the point is from now on we ought to get the percentage up instead of letting it go down. We have had preponderant overseas control and ownership for our iron ore and for our Queensland coal and for our bauxite.

Interviewer: This would make a higher standard of living then, because all that money which has gone abroad will stay here?

Mr. Whitlam: Yes, most of it.

Interviewer: Makes you wonder what you would do with it.

Mr. Whitlam: There are plenty of things for us to do with capital in Australia, but what we need to do of course, is to concentrate on those things where we are strong and we are strong in minerals. This is the sort of thing where Australia ought to be marshalling her capital and skills from now on. There are some things in which we are very fortunate, where we are superbly equipped. There are some others where we are no better than any other country. The sensible thing is to concentrate on those things where you are fortunate or strong.

Interviewer: Unemployment worries a lot of people. Does your Government seek the situation of full employment or can you see a reasonable level of unemployment?

Mr. Whitlam: Obviously we are very dissatisfied with the number of people who have asked for jobs and can't get them at the moment. Now, what is regarded as a reasonable level of unemployment is a matter of discussion but the present one is obviously too high. We haven't been used to it in Australia. It's no worse and even better than you get in North America or in many parts of Europe but that doesn't give you any satisfaction. It is coming down.

Interviewer: We won't have to wait for two years before it gets better?

Mr. Whitlam: It's got very much better in the last month and I think it will continue to get better over the coming months.

Interviewer: Can you put a date on it? Would you say three months, six months?

Mr. Whitlam: Well every one of those months, the number of people seeking jobs will go down. I have no doubt of that at all.

Interviewer: You haven't got your fingers crossed.

Mr. Whitlam: Oh no, I'm open-handed.
