

THE LOANS DEBATE

SUNDAY 13 JULY 1975

I KNOW YOU MUST BE PRETTY WEARY OF THIS WHOLE SO-CALLED LOANS SCANDAL BY NOW, BUT I MAKE NO APOLOGY FOR RETURNING TO IT BECAUSE WE CAN NOW SEE THE WHOLE ISSUE IN PERSPECTIVE AND JUDGE THE STRENGTH AND MOTIVES OF THE OPPOSITION'S CASE. BUT FIRST, LET'S RECALL WHAT HAPPENED THE LAST TIME THE OPPOSITION AND THE PRESS CAME OUT WITH THUNDEROUS ACCUSATIONS AGAINST THE GOVERNMENT'S INTEGRITY. YOU WILL REMEMBER THAT SOMEONE LEAKED TO OUR OPPONENTS CONFIDENTIAL CABLES WE HAD SENT TO OUR AMBASSADORS IN VIETNAM. LOUD CRIES WENT UP ABOUT SCANDAL, DUPLICITY, DECEPTION AND ALL THE REST OF IT. SO WE HAD A DEBATE IN PARLIAMENT. AS SOON AS I TABLED ALL THE RELEVANT DOCUMENTS IT IMMEDIATELY BECAME CLEAR THAT THE GOVERNMENT HAD ACTED WITH COMPLETE INTEGRITY AND CANDOUR. THE OPPOSITION CASE COLLAPSED AND NOTHING MORE HAS BEEN HEARD ABOUT THE VIETNAM CABLES FROM MR FRASER OR ANYONE ELSE.

EXACTLY THE SAME THING HAPPENED LAST WEDNESDAY. THE OPPOSITION FAILED TO SUBSTANTIATE ANY SPECIFIC CHARGE OF ILLEGAL OR IMPROPER CONDUCT AGAINST THE GOVERNMENT OR AGAINST ANY MINISTER; MORE THAN THAT, THEY FAILED TO MAKE ANY SPECIFIC CHARGE. THEY HAD THEIR CHANCE; THEY FLUFFED IT. YOU DON'T HAVE TO TAKE MY WORD FOR THAT. THE VERY NEWSPAPERS WHO HAVE BEEN LEADING THE CAMPAIGN FOR MR FRASER, THE SAME NEWSPAPER COMPANIES WHO HAVE SPENT THOUSANDS OF DOLLARS BUYING SO-CALLED INCRIMINATING DOCUMENTS TO DISCREDIT THE GOVERNMENT, HAVE HAD TO ADMIT THE FUTILITY OF THE EXERCISE. IN THE MELBOURNE AGE ON TUESDAY MR PETER COLE-ADAMS WROTE FROM LONDON: "AS FAR AS WE KNOW, AUSTRALIA HAS NOT IN FACT LOST ANY MONEY AS A RESULT OF THE AFFAIR." AND THE FINANCIAL REVIEW SAID AFTER WEDNESDAY'S DEBATE:

"IT CANNOT BE SAID THAT THE LEADER OF THE OPPOSITION, MR FRASER, MADE OUT A CONVINCING CASE YESTERDAY FOR THE IMMEDIATE APPOINTMENT OF A ROYAL COMMISSION INTO THE GOVERNMENT'S OVERSEAS LOAN RAISINGS. THIS IS WHAT HE CALLED FOR...THE ARGUMENTS ADVANCED YESTERDAY BY MR FRASER FOR A ROYAL COMMISSION WERE NOT OF THE NORMAL GRAVITY OR SUBSTANCE REQUIRED FOR SUCH AN EXERCISE."

OF COURSE THEY WEREN'T! SO MUCH FOR THE SCANDAL,
THE IMPROPRIETY, THE ALLEGED BREACHES OF THE LAW. LET'S
LOOK INSTEAD AT THE REAL ISSUE - WHY WE'VE SOUGHT THESE
LARGE SUMS OF MONEY, WHY WE DECIDED TO EXPLORE THE
POSSIBILITIES OF BIG OVERSEAS LOANS. IT'S INTERESTING
THAT THE LIBERALS AND THE COUNTRY PARTY HAVE NEVER DARED
TO ATTACK THE BASIC PURPOSES BEHIND OUR INTENDED LOAN
RAISINGS - THE NEED TO DEVELOP OUR GREAT MINERAL AND ENERGY
RESOURCES, THE NEED TO KEEP THOSE RESOURCES IN AUSTRALIAN
HANDS, TO MAKE SURE THAT AUSTRALIA KEEPS CONTROL OF HER
OWN DESTINY, HER OWN FUTURE IN A VERY TROUBLED WORLD.
THE MEN WHO SOLD AUSTRALIA SHORT, WHO KEPT SELLING OFF
THE FARM TO OVERSEAS INTERESTS - THE SORT OF THING
SIR JOHN MCEWEN AND JOHN GORTON FOUGHT AGAINST - AREN'T
GAME TO ATTACK US ON THIS BASIC ISSUE. SURE, WE'VE BEEN
ACCUSED OF BEING TOO AMBITIOUS, OF WANTING TO DO TOO
MUCH FOR AUSTRALIA. THAT'S AN ACCUSATION I CAN LIVE WITH
AT ANY TIME. BIG PLANS WE CERTAINLY HAVE FOR THIS
COUNTRY, AND JUDGED BY THE TIMID, ORTHODOX STANDARDS
OF THE OPPOSITION, THEY MAY SEEM VERY BIG INDEED. BUT
WHO DOUBTS THEIR NECESSITY, WHO DOUBTS THEIR ULTIMATE,
LONG-TERM WISDOM?

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WE LIVE IN A WORLD WHERE VAST BORROWINGS AND VAST INVESTMENTS ARE MORE AND MORE COMMONPLACE. IN AUSTRALIA WE ARE ONLY JUST BEGINNING TO GRASP THE STUPENDOUS VALUE OF OUR NATURAL RESOURCES. THE WEEK BEFORE LAST, IN TOKYO, MR CONNOR NEGOTIATED WITH THE JAPANESE STEEL COMPANIES A FIVE-YEAR COAL EXPORT ARRANGEMENT WHICH WILL BE WORTH OVER 10 BILLION US DOLLARS TO AUSTRALIA - IT WILL BRING VAST RETURNS TO QUEENSLAND IN PARTICULAR. I DIDN'T SEE MR CONNOR GET MUCH CREDIT FOR THAT IN THIS WEEK'S DEBATE. AS HE POINTED OUT IN PARLIAMENT, AUSTRALIA'S PROVEN, RECOVERABLE MINERAL AND ENERGY RESOURCES ARE WORTH AROUND 5,700 BILLION DOLLARS - AN ASTRONOMICAL FIGURE AT TODAY'S PRICES. THEY WILL BE WORTH EVEN MORE. THOSE ARE THE SORT OF SUMS AGAINST WHICH OUR BORROWING PROJECT NEEDS TO BE CONSIDERED.

IN PARLIAMENT ON WEDNESDAY I MENTIONED SOME
WAYS OUR LOAN FUNDS COULD HAVE BEEN USED.
HAVE TO REMEMBER THAT EVERY BIG MINERAL OR ENERGY
PROJECT IS COSTLY. IT'S NO USE BELIEVING WE CAN
DEVELOP OUR RESOURCES ON THE CHEAP. ONE REASON WE
HAVE SOUGHT MONEY IS TO PRODUCE OIL FROM A PROCESS
CALLED THE HYDROGENATION OF COAL - USING QUEENSLAND'S
VAST COAL DEPOSITS. MR CONNOR MENTIONED ON WEDNESDAY
THE NEED TO EXPAND THE GREAT COAL EXPORTING HARBOURS
IN QUEENSLAND - AT HAY POINT AND GLADSTONE. TO DO
THIS JOB PROPERLY WILL COST HUNDREDS OF MILLIONS OF DOLLARS.
MAKE NO MISTAKE, IF THESE PROJECTS ARE TO GO AHEAD, IF
WE ARE TO DEVELOP OUR GAS, OUR COAL, OUR URANIUM DEPOSITS
IN OTHER STATES AS WELL, WE'LL NEED CAPITAL ON A LARGE
SCALE. WE ARE GOING TO NEED MORE AND MORE CAPITAL IN
THE YEARS AHEAD - FROM OUR OWN SOURCES AND FROM OVERSEAS.
OUR MINERAL AND ENERGY RESERVES GIVE US THE SECURITY
BY WHICH WE CAN BORROW IT.

I LEAVE YOU WITH THIS THOUGHT: THE TIME HAS PASSED WHEN WE COULD SIT BACK AND CONTEMPLATE THE WORLD ACCORDING TO THE COMFORTABLE, DO-NOTHING RULES OF THE LIBERALS AND THE COUNTRY PARTY. IT SO HAPPENS THAT ON THIS OCCASION WE DIDN'T SUCCEED IN BORROWING THE MONEY WE NEED. BUT THAT WON'T STOP US TRYING AGAIN. WE ARE PROUD OF OUR EFFORTS AND OUR OBJECTIVES. UNDER THIS GOVERNMENT AUSTRALIA HAS ACHIEVED THE HIGHEST POSSIBLE STATUS - A TRIPLE-A RATING - AS AN INTERNATIONAL BORROWER. THAT STATUS REMAINS UNCHANGED. OUR HOPES AND PLANS FOR AUSTRALIA REMAIN UNCHANGED.
