

PRIME MINISTER'S INTERVIEW WITH PETER HARVEY, CHANNEL 9 NEWS

31 OCTOBER 1975

HARVEY: Prime Minister with the public opinion polls moving towards you, as they are, you must be very tempted to go for an election?

PRIME MINISTER: Oh yes there is a temptation, just as there was early in the year when Mr Snedden fell and was succeeded by Mr Fraser, there was a great temptation to take advantage of disarray in the Liberal Party.

HARVEY: Do you think you would win now, sir?

PRIME MINISTER: Yes. I've thought all along that in any election campaign we'd win. Because I'm sure that when the public is faced with a choice between us and the Liberal alternative, they will rally to us. But quite apart from that I think there are two reasons why one doesn't have a premature election for the House of Representatives: one is that as recently as May last year we sought, as the Liberals did, a three year term as a Government. And the public gave us that three year term. And accordingly we should fulfil the job which we sought. And the other reason is, that last April and May when we had the last Federal election, we were without a Parliament for three months. The two Houses were dissolved on the 10th of April, And holding the election as quickly as possible and counting the votes as quickly as possible, we still couldn't assemble the new Parliament until the 9th of July. Now I don't think that in the present economic circumstances you can have the Parliament and the Government and the administration suspended for three months.

HARVEY: Its been said Prime Minister that Mr Fraser has got himself into a corner. Now would you be prepared in anyway to help Mr Fraser out of that corner, does it have to come to a crunch?

PRIME MINISTER: Oh it's not... he's got himself into this corner. He's done the wrong thing, as Mr Snedden did the wrong thing.

HARVEY: <sup>But</sup> Couldn't the two of you perhaps...

PRIME MINISTER: Oh no. I've got a duty to see that the system is preserved under which, if the people elect a government it is given the opportunity to govern. I can't accept the proposition that whenever the Senate sees fit to force or wish an election for the House of Representatives then the House of Representatives has to oblige the Senate. Because this situation can arise every six months, every October the Parliament has to pass the Budget for the period from the previous 1st of July to the following 30th of June. And every April the Parliament has to pass the Supply Bills to cover the period from the 1st of July following to the 30th of November following. Twice a year this happens. Now since we became the Government the Liberals - <sup>but</sup> more particularly the Country Party - have always threatened to block the Budget, to block Supply. Now if we accept that then no government which is elected will ever be able to govern with confidence or courage. Every government goes through unpopular patches. And any government which may have to face the people in six months time will do the popular thing, and very often the irresponsible thing. All governments have to make some unpopular decisions, some tough decisions. And accordingly they must have the three year period in which to plan a whole program.

HARVEY: Well given then, what you've said and the fact that Mr Fraser says that he has no intention of backing-down, how on earth is this going to be resolved?

PRIME MINISTER: Well if it comes to the crunch, it is probable that the Government can govern without the Budget. We are confident that all our employees, civilian and military, will be able to get their incomes. Furthermore, we are pretty confident that all our creditors and our suppliers and contractors, will be able to get their debts met. Now we are satisfied of that. It's a messy business, it's inconvenient to a lot of people but nevertheless, the Australian Government's obligations will be met. This doesn't say that there won't be a great deal of uncertainty and disruption in the business community; it's already feeling this. The Budget which is to be the principle instrument of economic recovery is being delayed. The other things we've done; for instance, submissions to the Arbitration Commission are obviously working very well. We are now in a very much position than Australian Governments were until quite recently, to monitor

the money supply. In those respects the Government is doing very well. But it needs the Budget.

HARVEY: But you suggested a minute ago that you don't really need the Budget, you can go ahead and govern?

PRIME MINISTER: It is not the regular, the easy way to do it. There are legal ways to see that those people who depend on the Australian Government for their incomes, or their debts to be met, will in fact have all those obligations met. We are confident that this can happen. But its still this air of uncertainty, particularly among the commercial community and the private sector which the Liberal and Country Party Senators are bringing about.

HARVEY: Could it come to the crunch that you do have to govern without the Budget?

PRIME MINISTER: It might, it might. We are prepared to do that. And it is all completely legal. The methods upon which we have sought and got advice.

HARVEY: Prime Minister, thank you.