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PRIME MINISTER'S SPEECH AT PUBLIC MEETING, PORT AUGUSTA

2 NOVEMBER 1975

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Mr Wallis, ladies and gentlemen. I was asked about six months ago to come to Port Augusta today because it's the Diamond Jubilee at the Diocese of Willochra. And this was a somewhat unexpected invitation, so novel in fact, that I penned it in six months ago in my diary. And in the meantime some other events have occurred, so I thought that yesterday I would travel to Port Augusta via Alice Springs and Whyalla. And I'm happy to have an audience of Labor supporters in this electorate of Grey just before I go in about twenty minutes time to the other celebration.

The last time I was here was in April and I was passing through on the way to Tarcoola to inaugurate the biggest railway project in Australia since the transcontinental was started in Port Augusta at the outbreak of the First World War. The biggest railway project in Australia for over sixty years. And shortly after that, you'll remember, that we tried to put through the South Australian Parliament the agreement to hand over the financial and management responsibility to South Australia's non-metropolitan railways to the Australian Government. And the Legislative Council of South Australia blocked it. And you had an election in South Australia. And there were two big issues in that election. One was the excellence of this financial deal that the Dunstan Government had made with my Government to hand over the non-metropolitan railways to the Australian Government which would mean an immense financial advantage to the State Government; and also an immense improvement in railway services, in South Australia and through South Australia, from all the other States and up to the Northern Territory. That was the first issue. And the other issue was the obstruction by an Upper House against the policies of an elected government. And that's the thing which is happening in the Australian Parliament now.

And I'm satisfied that we are going to win this issue in the Australian Parliament throughout Australia, the same way as Don Dunstan won on this issue last July in South Australia.

The simple fact is that governments, whether they're the Federal Government or the State Governments are made or unmade in the Lower House. If a Party or Parties have a majority in the Lower House, the House of Representatives or the House of Assembly, then that's the Government. You can't be the Government of Australia or South Australia or of any of the States, unless you have a majority in the Lower House. And twice now, in December 1972 and in May last year, the Australian Labor Party secured a comfortable majority in the House of Representatives. And on each occasion, in December 1972 and again in May 1974, the election was about who was to be the Government of Australia for the next three years. Before half that time was up, in April last year, the Senate threatened to block Supply, to say: "Well, look we won't give the Government the authority to spend the taxes which are being collected. We'll bring the business of Government to a standstill."

Now, at that time I said, "Right, we'll have a double dissolution; there are six Bills which the Senate has held up, which it's rejected twice, and we can settle the issue of Medibank, we can settle the issue of equal electorates, electorates of the same number of electors, we can do that now." And we had a double dissolution, and we won. We got an overall majority, a comfortable majority, in the whole Parliament. And when on a third occasion the Senate voted against the Medibank Bills and a third time the Senate voted against the Electoral Bill; and the third time the Senate voted against the Petroleum and Minerals Authority Bill, which was designed to give Australians the opportunity to develop their own natural resources; when a third time all those things happened, we had a Joint Sitting. And at that Joint Sitting we comfortably passed all those Bills. And never since has the Government been beaten in any division, and there's scores of divisions which have taken place in the House of Representatives.

We are clearly entitled to see out our three year term. We were elected as the Government, and in the House of Representatives where governments are made or unmade, we still have a comfortable majority. And the proposition which is being put by the Liberals and the Country Party is, that because we haven't got a majority in the Senate, they can blackmail us, hold us up, hijack us, whenever they wish. But they haven't got a majority in the Senate either.

Now Governments are never made in the Senate; they never have been; you can't have a Prime Minister in the Senate; you can't have a Treasurer in the Senate and the Constitution says that the Senate can't initiate Money Bills; the Senate can't amend Money Bills and all that the Senate can do is to make a request to the House of Representatives to amend the Money Bills. And the House of Representatives may, if it sees fit, accept the request or it can reject the request. That's the sum total of the Senate's powers as laid out in the Constitution.

Let's go back to what happened in May last year, when there was an election for both Houses. The Labor candidates for the Senate got 165,000 votes more than the candidates of all the other Parties represented in the Senate. But because it's a complicated electoral system and so on, we ended up with 29 out of 60 Senators; and the Liberals and the Country Party ended up with 29 out of 60 Senators; we got more votes but they got as many members; but they didn't get a majority, we didn't get a majority. And in the Senate if the votes are equal on any issue then the vote is lost. If there is a motion for a Bill comes before the Senate and there are as many people voting against it as for it, then it's lost. It's rejected.

Now after the election an Independent from Tasmania joined the Liberal Party. And on our side, Senator Murphy was appointed to the High Court - fair enough that there should be a Labor Attorney-General on the High Court, for the last ten years there has been a Liberal Attorney-General, Barwick himself, it's fair enough that there should be an Attorney-General from each side on the High Court. And then later Senator Milliner died, the Labor Senator from Queensland.

And the New South Wales Government - a Liberal Premier - and the Queensland Government - a Country Party Premier - appointed replacements for Murphy and Milliner, who opposed the Labor Party. The one from Queensland is the worse case - Field, Pat the Rat - but still, still the Liberals and the Country Party haven't got a majority in the Senate. They have 30, one of the Independents joined them, they've got 30. That is, even if they thought they were entitled to be the government, they couldn't get the things through the Senate without the support of the people who don't belong to their Party. And they have no chance of getting a majority for any proposition they put up in the House of Representatives.

So you have this situation, that at the moment the Senate is not the Senate that the people elected in May last year. There are two Senators who were appointed by anti-Labor State Governments until there is an election for the Senate and they belong, they are opponents of the Labor Party. It's a stacked Senate. It is a tainted Senate. And on the basis of this Senate different to what it was when there was last an election in May last year; and different because a Liberal Premier and a Country Party Premier have done the wrong thing; on this Budget the Liberals and the Country Party relying on a stacked pack of cards, a tainted Senate, take it on themselves to say: we won't allow the Australian Government to have the authority to spend the taxes which everybody still has to pay.

Now it has never happened before in Australia's history. There have been many occasions, particularly since there was proportional elections for the Senate introduced in 1949, when the Government hasn't had a majority in the Senate. There were many occasions when Holt, and Menzies before him and Gorton after him, didn't have a majority in the Senate. But nevertheless the Senate always passed the Government's Money Bills. The Senate can't initiate them; it can't amend them; it can only make a request to amend them and the House of Representatives can accept or reject that request. But never on all the occasions when a Government has not had a majority in the Senate, has the Senate ever presumed to reject the Budget. On 139 occasions Money Bills have been put by the Government to the Senate when the Senate didn't have a majority of Government Senators. And on every occasion the Senate has passed those Bills.

Now I want to point out that on this occasion, the Senate hasn't yet rejected the Bill; it hasn't voted on it. What has been passed is a motion to defer debate; to stall; the Senate has gone on strike. Liberals and Country Party Senators have gone on strike. And on this motion the voting was 29 to 28, that is, there was one majority. If Senator Milliner had still been there he would have been voting with the 28; it would be 29 all. And in those circumstances the motion to defer debate on the Budget Bills would have been rejected. There is not a majority against the Budget in the Senate. And all that Mr Fraser is doing, is keeping his Senators sufficiently in line to vote for a deferment. Some of them have said, Senator Bessel of Tasmania said on Four Corners last weekend that in a vote on the Budget itself, he

would not vote against the Budget. And he also said, Senator Bessell on Four Corners last weekend that there were many other Senators of the same mind. So once there is a vote on the Budget Bills in the Senate, the Budget Bills will be passed. And the motion which has been carried, just because Senator Milliner is dead; the motion was carried as Senator Steele Hall said "over a dead man's corpse". They say "If there is going to be an election, we'll pass the Budget". That is, there is nothing wrong with the Budget according to the Liberal and Country Parties.

True enough, Mr Fraser made a few criticisms of the Budget after it was introduced, a week after it was introduced. And his criticisms, of course, were shown to be very damaging to his cause. And one of the things that the Liberals proposed was that if they got into Government they would go back to the old system of income taxation where there was Federal income tax and State income tax as well. And this is the proposal which would benefit maybe the people of Victoria and in New South Wales - it would be equal fifty-fifty, it would make no difference - but in the four smaller States everybody would have to pay higher income tax. That's what used to be the case in Australia before uniform income tax was introduced by a Labor Government in 1942. It was the case still in Canada, if you're in the smaller Canadian provinces you pay higher State income tax, provincial income tax, than you do if you're in the big one, the prosperous one like Ontario and British Columbia. All the other provinces pay a higher tax. And this is what Mr Fraser was proposing in his alternate Budget. He realised that it was very unpopular in the four smaller States, including yours. So he now says that his Budget proposals are inoperative. You remember that great phase of President Nixon's Press Secreatry came out, President Nixon was caught out in giving a reply which wasn't accurate - in Australia if anybody does that he's sacked - but in the United States they said: The answer was "inoperative". And Mr Fraser at a press conference on Wednesday week used the same phase: my Budget proposals are "inoperative".

So there is nothing wrong with the Budget; it is just a hijack operation. They say they want an election now. Now of course, they didn't say in May last year, at the last election that if they lost they wouldn't accept the verdict; they didn't say then that they would use any numbers they got in the Senate to prevent the Government governing for the full three years for which it was elected. And, of course, back in - that was Billy Snedden was in charge of it that time - it's getting very uncomfortable for me, you know; I'm in the process of demolishing the fifth Liberal leader: Holt, Gorton, McMahon, Snedden, Fraser; they're all lasting less time as time goes on. Watch for the next fascinating instalment, ladies and gentlemen.

But last April, April last year, when I yielded to this blackmail we had an election which meant that we were without a national Parliament for three months. The two Houses were dissolved on the 10th of April and we had the earliest election we could; we had the quickest count we could; and then we assembled the Parliament as quickly as possible. And we couldn't bring it together until the 9th of July, one day short of three months after Parliament had been dissolved.

I don't believe that at this time in our battle against inflation and unemployment, we can afford to have the Australian Parliament suspended for another three months. We must get on with the Budget; we must get on with the economic recovery; we must get people back to work, particularly the school leavers in the next month or two months. And the Liberals and the Country Party are deliberately holding the country to ransom; their strike is designed to promote unemployment and dissatisfaction.

Now we must make it plain to the Australian people who are the guilty men. Because Mr Fraser when he took over from Mr Snedden and when he realised that Mr Snedden had been destroyed by taking the advice of the Country Party Leaders and the newspaper proprietors, he said, very properly, that he believed strongly that if a government had been elected it was entitled to govern for its three year term. And he made an exception; he said: "unless there are reprehensible circumstances." And as the pressure has grown on him from the Country Party Leaders, as the pressure built from the newspaper proprietors, he forgot his principles, he was casting round for some reprehensible circumstance. And he's never been able to find any at all. Every weekend he gets more and more desperate in his abuse of me. And the Country Party Leaders too. But I've had no associations with CIA money in Australia, as Anthony has. My wife hasn't received any \$16,000 necklaces for launching ships overseas, as Sinclair's wife did. I haven't got, or my family hasn't got, superphosphate subsidies as Fraser's has. No income tax troubles in my family. That is, they've been able to get nothing on me. And they're getting more and more desperate, these men who are subsidised by the CIA or overseas ship builders, or the superphosphate people. They're getting more and more desperate in their personal abuse of me and the whole of the Labor Government. They've got nothing on us; there are no reprehensible circumstances at all. The only reprehensible and extraordinary circumstance is the fact that for the first time in 75 years a Senate is stalling on the votes on Money Bills. They haven't voted against them; they know that they wouldn't all line up at the barrier to reject the Budget. No Federal Budget has ever been rejected in the 75 years that we've had a Federal Parliament. And no Upper House in the world now - the House of Lords or Canadian Senate or any of these countries which still have Upper Houses - would ever reject a Budget. It wouldn't happen anywhere else in the world. We've been made the laughing stock of all our neighbours and in all the longer settled democracies around the world by these shenanigans of the Liberals.

What is at stake is this: are we ever to have in Australia, the opportunity of changing a government at the ballot box and being sure that that government will have the chance to carry out the policies upon which it was elected? Because if you accept the situation that the Senate, by rejecting a Money Bill or even just by stalling a Money Bill can produce an election for the House of Representatives, then you can have this situation arising twice a year. Because every October the Budget is brought up to authorise the expenditure of taxes and loan funds for the whole of the financial year, from the 1st of July past until the 30th of June following.