



**PRIME MINISTER**

FOR PRESS

10. MAY 1977

ADDRESS AT CAMPAIGN DINNER AT LAUNCESTON

It is good to be in Launceston again. The Bass electorate has a very special place in the heart of all Liberals.

Just two years ago Bass voters gave Australia the lead by electing Kevin Newman in a magnificent by-election victory. It was one of my first duties when elected Leader of the Parliamentary Liberal Party to lead the campaign. That win gave us all great heart, and spurred our efforts, culminating in the election victory of December 1975, in which Liberals won all five Tasmanian seats in the House of Representatives, and which charged us with the task of restoring the economy and defeating inflation.

Our task was clear. To gain control over Government spending and inflation. To argue for wage restraint, and to restore confidence and strength to the private sector so that employment opportunities would be created.

We said from the outset this task would take three years. But already we are seeing the beginnings of sustained growth, and a reduction in inflation. The Consumer Price Index for the March quarter showed a rise of only 2.3% - the lowest for a March quarter in four years.

The most reliable evidence available to us indicates an inflation rate of just over 10% for the course of 1976. Still too high, but markedly lower than the inflation rate for the preceding two years. But further progress will only be made if our policies are maintained. We have set about holding Government spending in the next budget, and estimates for the coming year are currently being subjected to the most extensive review.

In successive national wage cases, the Government has argued for wage restraint. However, it is taking a long time to reduce unemployment because of high inflation, and the fact that rapid wage increases have priced many people out of the labour market. The extent to which Australians accept wage restraint will largely determine the extent to which further reductions in inflation and unemployment can be achieved in 1977.

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In spite of the severe restraints which we have had to impose on Government spending, we have taken a number of steps to alleviate particular problems faced by Tasmania, and to spur Tasmania's development. We have introduced a freight equalisation scheme which enables Tasmanian business to compete more favourably on interstate markets. The estimated cost of the northbound scheme this financial year is almost \$16 million. In addition, as I announced in George Town last November, there will be a southbound scheme which will operate retrospectively from 1 July 1976. The Minister for Transport, Mr. Nixon, will be announcing details of the southbound scheme shortly.

The Government recently gave approval to IPEC to import two aircraft which will considerably increase capacity for the Bass Strait air freight service. This decision has been challenged in the High Court and we await their judgement. The Government also approved the import of two new replacement aircraft by air express.

In Launceston, we are proceeding with acquisition of the land for the Australian Maritime College, and the interim council has been working actively to get this fine project under way.

We have granted a substantial sum for the Inveresk Urban Redevelopment Scheme; an exciting initiative involving co-operation between the Commonwealth, the state, local government, and a community group.

The Commonwealth is also spending more than \$20 million on the Launceston General Hospital.

In Hobart, the new Advisory Council for Inter-Governmental Relations is establishing its Secretariat, and the headquarters for our activity in the Antarctica is being relocated there. The Government has contributed \$36 million to restore the Tasman Bridge and related works. We have also contributed to the internationally acclaimed south west National Park.

We recognise that Tasmanian Industry has experienced particularly difficult problems in recent times, and we expect to receive within the next few weeks an interim report from Sir Bede Callaghan who we commissioned to inquire into the problems of Tasmanian industry.

I believe that the initiatives which we have taken after only 18 months in office, amply demonstrate the Government's very real concern with the special problems and needs of Tasmania.

Taking all the measures I have referred to, Tasmania has benefitted by over \$87 million in capital works and \$17,000,000 in recurrent expenditure from the special provisions made for your state by this Government.

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I would now like to turn to referendums which Australians will be voting on in 11 days time. It is important that we talk about this because the success of the referendums will make a major contribution to the constitutional development of our country. It will establish whether as a nation we are willing to make constitutional changes which will introduce major and considered reforms to improve our constitution.

The four constitutional referendums propose fair, sensible and just changes to reform the constitution and I am sure that they will be successful.

In the past, people have tended to vote no on constitutional questions. But these referendums are different. They do not seek more power for politicians. They do not seek more power for Canberra. They do not weaken the states. These referendums meet all the requirements Australians have set for constitutional changes.

The proposals have been carefully considered and there has been extensive consultation about them. There was detailed discussion of the principles of all four referendums at the Hobart Constitutional Convention last year. The Commonwealth, all the states, local government, and all the major parties, were represented at the Convention. The principles of the four proposals were adopted overwhelmingly by the Convention.

The changes are supported on a bipartisan basis by all the major federal parties. Each of the four proposals we are now supporting was passed in the House of Representatives without a single dissenting voice, and each was passed by an overwhelming majority in the Senate.

Putting the four proposals forward is evidence of our concern to make necessary constitutional reforms, and of our support for the constitutional convention which was initiated - and this should be emphasised - by the states.

The people have to be allowed to vote on these proposals which are generally supported and which are sound, otherwise the Constitutional Convention would be a meaningless exercise. Clearly, the issue of constitutional reform is more important than that.

The four changes are these. First, that elections for the Senate and House of Representatives should be held simultaneously. It is simply common sense that elections always be held at the same time, and that the only time you have to vote in a federal election is when you have to choose Australia's Government. This proposal will maintain and strengthen the Senate. It also means we will not have to vote in as many federal elections. Otherwise we could have as many as four elections in the next four years. If this proposal is not passed, the future of the Senate could ultimately be put in jeopardy. It is sometimes said that simultaneous elections can be achieved by bringing the House of Representatives election forward to coincide with that of the Senate. Unfortunately, that is just not practical. At the last election, the two Houses were elected at the same time because there was a double dissolution. Despite this, they are

now out of phase once again. This is because under the constitution Senators terms are back-dated to the previous July 1. The term for the House of Representatives on the other hand only begins when Members are sworn in, usually some weeks after the election. This means that unless the constitution is changed, the only way to bring the elections together would be repeatedly to cut short the term of the House of Representatives. The three year term is however already relatively short. One of the shortest Parliamentary terms in the democratic world. Further reducing it would damage good Government.

Far from weakening the Senate as some have alleged, the simultaneous elections proposals will strengthen the Senate and its capacity to protect the states. It was an accident that in 1975 there were bills enabling the Governor General to dissolve both Houses and make them both face the people. Had the Senate not been able to face the people themselves, so that their actions might be judged, a number of Senators would not have agreed to block supply. This attitude was soundly based because any House of Parliament that sends another House to the polls, while not itself being judged by the people, will not survive. A number of Senators at the time knew this, and as grave as the errors of the former Government were, these Senators were only prepared to use the Senate's major power because the Senate would itself face the people of Australia and be judged. I myself would never have sought the blocking of supply from a Senate that would not itself have also faced the people of Australia. If the Senate was not in the position to go to the people, there would have been no double dissolution; there would have been no election.

The Senate's powers are great, and anyone who wants them to remain a living reality will campaign for this proposal and vote for it. For unless the present situation is changed, I can foresee two alternative consequences. The Senate might refuse to check a bad Government unless there happened to exist the circumstances which would permit a double dissolution. Alternatively, if Senators were to make the House of Representatives go to an election without facing the people themselves, then there would be a public outcry against the Senate which could lead to the Senate's powers being restricted, or abolished. Either of these alternatives would be bad for democratic government, bad for the states, bad for Australia. That is why it is important that this referendum be passed. It will preserve the protect the Senate's powers and hence protect the states.

The second referendum proposal is that, whenever a Senator dies or resigns, he will be replaced, for the remainder of his term of office, by a member of the same party. This will guarantee that your choice of parties for the Senate cannot be altered by accident or design. Proportional representation for the Senate is intended to make the Senate represent all sectors of the electorate in precisely the correct proportions. Yet under the constitution now, a Senate vacancy can completely change the party balance. It is fundamental to our democracy that only the people should determine the balance of the parties in the Senate. Once this proposal is accepted, the peoples choice will be preserved until they have an opportunity to make another choice at the next election.

The third referendum proposal is that voters in the A.C.T. and Northern Territory should have a vote in all future referendums. This is a fundamental right all other Australians have. I know of no rational or reasonable argument for denying Territorial voters this basic right. Territorial voters have the same obligations as other Australians. They pay taxes, they are obliged to observe the laws of the Commonwealth. They vote for Members of Parliament. The outcome of referendums affect them as much as they do other Australians. Our democracy is the weaker until the voters of the Territories have the basic right to vote in referendums restored to them.

The fourth and final referendum proposal is to set a retiring age for federal justices. High Court justices would retire at 70, and the retirement age for other Federal Court judges would be determined by Parliament. The proposal does not affect the terms of judges already appointed to the Bench. There is thus no question of acting in breach of the existing judges terms of appointment. This proposal is only reasonable. Most jobs have retirement ages and for good reason. Judges are as affected by old age as the rest of us. It is only fair that after the age of 70 responsibility should be handed over to younger people. This is even more important now that the new system of Federal Family Courts have been set up.

All four referendum proposals are fair, just and reasonable. They meet all the requirements for success. They have been extensively considered. They have the support of all major federal parties. They do not involve more power for Canberra. They will make the Constitution work better. The polls show that all referendums have significant support in all states. But one of the things which has surprised me is that there is not a great deal of passion about the referendums. It has become apparent that one of the reasons for this is that the arguments in favour of the referendums are so simple, straightforward and reasonable, that most people cannot see how contrary arguments can be put. This view is well founded, but in it lies a danger. A danger of complacency.

The referendums are important, to the future of Australia, to the future of our political system. Those people who think the referendum propositions should be passed over cannot afford to be complacent. Although the rightness of the referendum proposals is not in question, except on the most specious grounds, the referendums will not pass themselves. All people who care about constitutional and political reform in this country have a responsibility to work for the referendums. If we all do this, then the referendums will be passed, and we will have a better constitution - one which will serve Australia's needs more effectively now and in the future. The people of Tasmania have a critical part to play in the process of making the Australian constitution a better document, in the task of improving the Australian political system.

In May 1975 you took the lead. I believe you will do so again on 21 May 1977.

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