

## PRESS CONFERENCE, HOBART

Prime Minister :

...and they were very useful discussions and I had a few friends waiting for me downstairs. I think it must have been too much for the Labor Party when we had a demonstration on my side earlier today over some environmental matter and the demonstration reverted to type as I came into this building. That's why I don't have a coat on and don't have a tie on, so I hope you will forgive me for that.

But we have had a very useful meeting of the Cabinet and the Ministry this morning. A number of decisions have been made and we have had very useful discussions with the Premier and the Deputy Premier this afternoon, including discussions with a delegation about the Tasmanian airfares.

It is worth noting that Mr Lowe went out of his way to praise the working relationship that has been established with Kevin Newman on Tasmanian-Commonwealth problems. He welcomed the very real financial commitment that the Commonwealth government has made over a significant period of time to the Callaghan Report and to the implementation of a wide range of measures under that Callaghan Report. I obviously welcome Mr Lowe's somewhat belated recognition of the Commonwealth for these particular matters, and quite plainly the Commonwealth's commitment is there, and our support for Tasmania through a variety of programmes will be continued.

Mr Batt - it was very ecumenical - also went out of his way to praise the government for its implementation of the Callaghan Report and for the Freight Equalisation Scheme which has been of such enormous benefit to Tasmanian manufacturers and to Tasmanian primary producers.

It is very pleasing to note that the Premier and Mr Batt both have such a high regard for Commonwealth policies in relation to the State of Tasmania.

A number of decisions have been made which Ministers can expand in answer to your questions if you would like them to. We are going to charter a vessel to undertake two special cruises in 1979-80 for exploratory fishing around Macquarie, Heard and MacDonald Islands. This is a part of the general approach to survey fish resources in the 200 mile zone around the sub-Antarctic Islands. The programme we hope will obviously locate new resources. We hope also that the State might provide some finance in relation to this because successful exploration could give a significant boost to fishing and to the processing industries, especially in Western Australia and Tasmania. It is part of the general approach that the government has adopted to exploration of the Australian fishing resources that in this instance the decision should be of particular advantage to this State.

We are going to construct a Commonwealth law courts building in Hobart. It will be a new complex. We have given approval for the design and development to a stage where it will be submitted to the Parliamentary Standing Committee on public works.

Now, the building will house the Federal Court, the Family Court, the Arbitration Commission and the Administrative Appeals Tribunal. The cost is likely to be in excess of \$8 million so it is quite a substantial commitment. The law courts will be situated in Davey Street, near some of the most historic architecture in this city.

TAA and Ansett have been negotiating for some time with Qantas in relation to the Hobart-Christchurch airlink. We now have a proposal from Ansett in relation to their negotiations with Qantas and that means there is something firm that can be put to New Zealand. Now, the Commonwealth will be doing that. It will be supporting it, and we hope very much that we will get New Zealand agreement. The matter has been held up to this point because there was a question of subcharter arrangements between Qantas and the domestic airlines and a question of them working out arrangements and putting firm proposals to us.

Ansett has done that. We would hope that TAA will follow suit, but we now have something firm to put to New Zealand so it will be processing that.

Peter Nixon advises me that once there is approval, whatever changes are needed at Hobart airport are unlikely to delay implementation of the new service. He believes that it would not delay the implementation of the new service and we would regard it as a facility that would be of very great benefit to Tasmania. It ought to enable this State to expand its tourist potential very greatly indeed. The Tasmanian government has agreed in the discussions this afternoon to contribute to the cost of improved facilities at the airport.

So that matter is progressing quite well, and we certainly won't be losing any time in putting it to New Zealand. Their air traffic people are at the moment in other international negotiations. The only delay that I could see is the readiness and capacity of New Zealand to negotiate with us, but we would be asking them to pursue this matter as soon as can be.

There are other matters which are not of specific Tasmanian interest but which I think are of general interest where we have made decisions today. In the Budget we announced a decision to exempt from sales tax equipment designed and manufactured expressly for the use of blind or deaf persons. Now, some other elements of equipment had already been exempt as I am advised, but we wanted to make sure that the exemption extended to equipment used by handicapped people, generally. We have now made a decision to exempt a full range of the equipment. It will certainly include such things as manual controls for vehicles and other aids designed for use by disabled persons. Senator Guilfoyle and the Finance Minister will be working out the full details of the list, but I think it will be a useful additional assistance to handicapped persons generally, not just an assistance to blind or deaf people.

That is a change or innovation which I hope everyone would want to support. For some time there has been a time limit on the continuation of the Homeless Persons Assistance Programme and this has provided assistance to a very large number of people who have got into difficulty over recent times. There is a restriction on the time limit of the present Act. What we are going to do is remove the limitation of time for which the Act will have effect. Decisions will be made later about the continued funding and the extent of Commonwealth funds that will go to the programme. But, what we have in fact decided is that rather than having a finite period to the life of those programmes, the programmes will in fact be continued. We will be making this perfectly plain in our own legislation.

At about the time of the budget, the point was put to us about sales tax exemption for small businesses. It was put to us against the background of people who produce arts, craft work, people who often work in their own homes. The present exemption levels are \$1,000 for goods made exclusively in the manufacturers own home, and \$1,400 for goods made elsewhere - not exclusively in a person's own home. The exemption limits had been set I think in the early 1940s, certainly a very, very long while ago. The exemption limits were partly for administrative reasons so that you are not going to try and collect sales tax from a whole range of very small manufacturers, but when it was originally introduced it was something which had a particular benefit to the people making arts and crafts of different kinds and representations had come to us, especially over the last several weeks in relation to these matters.

Well, now we have examined it and the old exemption limit of \$1,000 is going to be raised to \$12,000. It applies to all small businesses but in achieving or establishing the new exemption limits we have in mind in particular the case of people making a livelihood out of arts and crafts, producing things own handiwork. That also will be welcomed by a quite significant group of people.

There is an addition to that - an annual tax liability exemption which will be raised from \$100 to \$250. The two figures are not specifically related - the last figure is, I think, really for administrative convenience.

Two or three weeks ago, Andrew Peacock announced a special aid programmes to Kampuchea as part of an international effort, and he did that against the background of a growing knowledge of a very serious and tragic circumstance in Kampuchea but also against the background of a very real concern that the aid we provide gets to as many people as possible in Kampuchea who need the aid. We obviously don't our aid to go the Vietnamese army or to the military forces. We want it to get to people who have been penalised and deprived over a very long period of fighting and a very long period of difficulty, growing first out of the activities of the Pol Pot regime, secondly, out of the activities of the Vietnamese invasion. The earlier announcement made by the Foreign Minister did come out of existing aid funds.

We have decided to provide a further \$2 million over and above that earlier commitment because of the seriousness of the general position of Kampuchea. Having said that, we do remain very concerned that the funds we provide should get to those who need it. International supervision will

certainly be necessary in Kampuchea and that it doesn't go to the military and get used in a sense, to support military activities.

The other matter which is, I think, of general interest - there has been experimental ethnic television undertaken over the last several weeks. There is an Ethnic Television Review panel chaired by Mr Frank Galbally, and there have been recommendations that the experimental programme should be continued.

Now, that is going to be continued. Sums will be provided as necessary for the continuation. We hope increasingly there will be comments and criticism of the programmes so that when the ethnic television does come to be launched with its own separate channel, the programmes can be as best advised as possible to meet the needs and wishes of Australia's ethnic communities.

I also want to make the point that I think some of the best ethnic television programmes will be ones which are attractive not only to people who have come to Australia in the years since the last World War, but ones which all Australians will want to see. For example, I think there is considerable benefit in all Australians having a better understanding of the history and background of many Australians who have their origins from Greece or Italy or other overseas countries. The day is long passed when it was good enough for people to learn British history, ancient and modern, and Australian history since the foundation of Australia - we need to have a wider understanding of the backgrounds of the many countries from which many Australians have now come. There will be opportunities, I would hope, for ethnic television to achieve that kind of objective. In other words, the best ethnic programmes I believe ought to have an appeal to wide body of Australians, not just to one particular group, people from one particular country.

I think that is about all the decisions that we made this morning, specially of particular interest to Tasmania, and secondly, some decisions that we have made of wider national interest. The Ministers concerned will be issuing their own more detailed press statements on all of those particular matters. If you have any questions

Question:

It was suggested in one press report this morning that one of the reasons for the government - or cabinet - considering some of these Tasmania decisions is because the government believes that there is an 80% chance of a State election in the next five weeks over the constitutional crisis. Does the government in fact, believe that there is an 80% chance of ... (inaudible) and secondly do you believe the Liberal Party in Tasmania should try to force an election through the constitutional...?

Prime Minister:

I am not going to comment on what Parties in this State may or may not do. For what it is worth, my own hunch is that an election is exceedingly remote, if for no other reason than I am sure Mr Lowe doesn't want one.

Question:

Have you spoken to Mr Pearsall about the prospects of an election or whether the Liberal Party...?

Prime Minister:

Not in detail, no. It is a State matter so far as we are concerned. These decisions have been made. I think it ought to be noted that over a continuous period we have made a whole stream of decisions as a result of the Callaghan Report as they affect Tasmania. A number of matters were announced in the last budget. The decisions were taken significantly before the State election but we were (slightly forced?) to announce them out of time so when we came down here and assisted the State during the election we knew what the decisions were going to be in the budget. But of course they weren't mentioned and there were a number of ones, as you know, including the beginning of the construction of the second Hobart bridge which means a great deal to this city. The development of the special programmes for this State have proceeded on a continuous basis. As we have been able to make the decisions, so they have been announced.

You have the main Freight Equalisation scheme itself shortly approaching the total commitment of about \$60 million, the Antarctic Division which Michael Hodgman and others have fought so hard for, the Launceston general hospital, the second Hobart bridge, the air pollution station at Cape Quinn. Then there are the additional funds for the native forestry development programme, grants towards the Tasmanian fish centre in Hobart, a loan to assist with the pilot industrial state at Legana, sums for the Launceston Precision Tool Annex, and a very significant grant as part of a seven year programme to assist with the restoration of Port Arthur. So you have a whole stream of programmes that have been announced over a period and what we have announced today is consistent with that.

Question:

In your view, what is the best course to be followed to solve the constitutional crisis?

Prime Minister:

In Tasmania? I don't want to offer a view about that. It is a State matter. If you would like to ask me about Federal matters I would be very happy to give you a view, but they don't concern the Commonwealth and it would be gratuitous of me to offer a public view on the matter.

Question:

Did Mr Lowe tell you he didn't want an election?

Prime Minister:

It is my judgement that he doesn't want election for very obvious reasons.

Question:

How do you feel personally when you are subjected to the sort of scenes you saw below?

Prime Minister:

I just get slightly annoyed about it. You know, people ought to know how to behave and people can make a point if they want to. I think one or two people were probably surprised and annoyed that there was a demonstration when I arrived here this morning which was a friendly one wanting assistance from the Commonwealth, wanting assistance from myself, and I suspect the Labor Party made a decision somewhere or other that it has got to alter that kind of appearance. I remember when there was a function at the Wentworth in Sydney when the police were quite inadequate as they were down here in at least making a path you could walk through which I think is a reasonable enough thing to expect. I suppose 50 or so people going into the Wentworth in Sydney had tomatoes or flour or whatever thrown over them but the Opposition in the Federal Parliament knew that that demonstration was going to take place long before it did. Under those circumstances I think it is perfectly plain that some elements in the Opposition have been involved in organising that particular demonstration because I think they knew about it before any of the agencies of the Commonwealth knew about it.

Question:

Do incidents like this perhaps make you think twice before you appear in public?

Prime Minister:

Good heavens no. I have had a rule for a long while - I go in a front door and I go out a front door, and I expect the police to have whatever arrangements are necessary to enable that to take place. There have been one or two difficult circumstances at Monash University for example. The Liberal students at Monash make a habit of asking me back just to demonstrate that nobody is going to get run off that particular campus and I will be back at Monash sometime in the early part of next year.

Question:

...(inaudible)

Prime Minister:

I would believe that it is well within the capacity of the State Police - normally the New South Wales Police have in fact, been very good, and you know, are much better than some others. The occasion at the Wentworth was the only time I have known in which the New South Wales Police have not been adequately prepared. They just did not have enough numbers there. It must have been a great inconvenience, not only for the people going to the function that I was going to but the whole entrance of that side of the Wentworth Hotel was blocked off. These matters are well within the capacity of the State Police, I don't imagine they will want to get caught short again.

Question:

Are you satisfied with the way the State Police handled it here today?

Prime Minister:

There weren't enough numbers. It wasn't handled - the walk through - and everyone got either rotten eggs or tomatoes thrown over them which nothing more than annoying but it is not a very intelligent way of demonstrating a point of view.

Question:

A question on the Ministry, if I may - how long can you realistically keep, reserve a place in the Ministry for Mr Sinclair?

Prime Minister:

There is an assumption inherent in that question - I will watch Peter Nixon, and if I think he is getting a bit tired, I will have a word with, but I don't think he would.

Question:

So you are prepared to let it go for months?

Prime Minister:

I think everyone should relax.

Question:

...you would hope for a resolution to the Finnane inquiry..?

Prime Minister:

The New South Wales government is now in very, very real difficulty because they have published a report which universally is recognised as one that has been handled in a very improper way by the Attorney General in New South Wales. Let me just repeat: The evidence was taken in private, the witnesses were not subject to a normal cross-examination, their evidence was not tested, the person who was being accused didn't get a chance to answer the allegations, and as a result of that, somebody came to certain

Prime Minister: (cont.)

conclusions and made certain findings. That doesn't make them facts, it might make them the opinion of one person. But the document is not a legal document, it can't be presented to a court of law, evidence would have to be presented again where it could be properly tested, where the witnesses could be checked, where their credibility could be under question, and in spite of that, the New South Wales Attorney General rushed to publication of the report. A large number of copies were made available to the press. I am advised by that reliable journal, the Financial Review, that there was a press lock-up, and that public servants were busy pointing out the bits most damaging to Mr Sinclair. That doesn't seem to me to have much at all to do with the course of justice - it might have a great deal with the course of injustice, it might have a great deal to do with politics, and it certainly is a subversion of the normal processes of the law.

So we have a situation in which a report damaging to Ian Sinclair has been left in the air and the only way Ian Sinclair can, as it is at the moment, answer it by his own statement in the Parliament, by a further statement if he feels that that is necessary.

There ought to be a prosecution so that the matter can properly be tested. The New South Wales government is not prepared to prosecute. It ought to repudiate that particular report. The issue now is certainly one as to whether or not the New South Wales government and Mr Wran in particular because he must be responsible for pursuing a course which is denying justice to a person in Australia.

Whatever Australians might feel on a particular matter, I think we have all got a view of basic justice - the right to a fair trial is the right of every Australian. There is also a right to be assumed to be innocent until proven guilty. Now, it would appear that the whole purpose of the operation undertaken by the New South Wales government to create the presumption of guilt before there had even been a charge laid, before there had been an attempt to get the matter into court and there is a great principle underlying this.

Certainly this involved somebody who is senior member of my government, but if there can be an effort if it is allowed to be successful to destroy Ian Sinclair's reputation as a result of the activities of Mr Walker and Mr Wran, that can happen to any citizen of the Commonwealth. There is a process available that can destroy any person, any corporation if the same processes are pursued and there is not the course to law, there is not the course to the normal processes to enable a person's innocence to be proved or disproved one way or another.

So, underneath the Sinclair affair and the Finnane report, there is an enormously serious principle which the activities of Mr Walker and Mr Wran have put in jeopardy. That is a principle which is basic to the normal human rights of every Australian. I believe increasingly, as the days pass, people will be looking to Mr Wran to see how he is going to address that, and allow the rule of law to properly and fairly upheld. As I have said before, every day that that particular report is left in the air, matters are left as they are, is a day which condemns the very being of the New South Wales government itself.



Prime Minister: (cont.)

None of that is a question of whether it is ultimately right or wrong. It is a question of his right to have a fair trial. That is the issue now, and without the right to a fair trial, there is no justice, there is no fairness and no ultimate liberty in Australia. That just underlines the great principal that lies behind the perversion of justice that has been perpetrated by the New South Wales government.

I know quite well that there have other inquiries conducted in the same manner but it is a question of what happens to those inquiries - how they are used, how they are exploited.

Let me just make one point which I think, hasn't much been in the public domain. Whatever one might say of Mr Finnane, nobody has doubted his association with the Australian Labor Party. I would have thought that an Attorney General with devout belief in the law and the rule of law, and with the devout belief in his responsibility to administer that law without fear or favour and with total impartiality, if he really felt it were necessary on advice from the Corporate Affairs Commission which I suspect he did not have, on advice from his Crown Solicitor which I suspect he did not have, but if he really believed that on advice there ought to be an inquiry launched against somebody who was plainly a very significant political figure, then surely he ought to lean over backwards to pick somebody with no political affiliations who has not been associated with our Party, with the National Party, or with the Labor Party, for the conduct of that particular inquiry so that there could be integrity in the general motives of the Attorney General who launched the inquiry.

What I am saying in itself is not a criticism of Mr Finnane, it is a criticism of the Attorney General, and it is criticism of the New South Wales Government, which has of its own actions, created a set of circumstances which is certainly open to the use of its legal and quasi judicial processes as inspectorial procedures for political purposes.

It will be up to the way the New South Wales government behaves from this point on and without too much delay which will prove or disprove whether that possibility is a real one or whether it is not.

Question:

.....if the New South Wales government repudiates the Finnane report .....(inaudible)...Will you invite him back?

Prime Minister:

Let's take one step at time. I have already said if these matters are dismissed. Ian Sinclair is an extraordinarily able person and all his colleagues would be delighted to have him back - of course we would. But what I am putting doesn't go to Ian Sinclair's innocence or Ian Sinclair's guilt. Let me make that quite plain. If there are matters to be answered, they need to be answered. What it does go to is his right to a fair and to a free trial, the right which is basic to every person in this nation, and what person could there be in New South Wales now, who has not

Prime Minister: (cont.)

been influenced by the activities of the New South Wales government by the conclusions and findings or opinions of Mr Finnane. There has been so much of it. How would you find people. How would you find a jury that has not been influenced.

When you get somebody of Mr Ellicott's legal standing saying in a Parliamentary debate something of that kind, we can understand the seriousness of the situation that has been created, going far beyond the particular allegations in relation to Ian Sinclair. It goes to something that is fundamental in our legal, judicial inspectorial situation, and one which the New South Wales government by its action to this point, has put in jeopardy by the New South Wales government. It is the government that is on trial at the moment, and Mr Wran will have to look very carefully at how he acts. It is not good for him to say that it is going to be Mr Walker's responsibility. Mr Wran will have to carry the can for this one.

Question:

Can I ask you about a State problem - After meeting with the delegation this morning, how do you feel about setting up a commission of inquiry looking the disadvantages caused by airfares to and from Tasmania?

Prime Minister:

Well, of course, we did establish the Callaghan inquiry before which made a series of recommendations and we have made some very substantial decisions as a result of that particular inquiry. We have been given a submission by the Premier and by other people from this State. Peter Nixon responded briefly, explaining the current situation but he is going to examine that submission in detail as it is a lengthy document and he will be reporting the Commonwealth government in relation to it. I don't think I can say anything more than that at the moment. You will have to wait for that report from the Commonwealth and we will take it from there.

Question:

Can you comment on the situation with the Tasmanian College of Advanced Education closely down... (inaudible). Is Senator Carrick looking at this, do you know?

Mr Newman:

I think that rests entirely with Mr Holgate.

Question:

Do you find it rather strange or hypocritical of the Tasmanian government on each occasion to come to Hobart to talk to the Premier who apparently said... (inaudible).

Prime Minister:

I hope you don't put inverted commas around that word, 'apparently', he did - no apparently about. There were a lot of people in the room and I took notes of it at the time, and here they are because I thought I would use them at the press conference.

Question:

I find it rather strange that...(inaudible)..

Prime Minister:

I hope no-one suggests that that was a Dorothy Dix question because it wasn't. Look, I find it very odd indeed because I have been here before, I have had a joint press conference on earlier occasions and Bruce Goodluck was present on that earlier occasion and Michael Hodgman also was, I think. Mr Lowe expresses these views about the policies we have introduced in relation to the State of Tasmania but then on other occasions for purposes that plainly served his election bill as he believed, he tried to say how terrible the policies of the Commonwealth were in relation to Tasmania.

But the real answer to Mr Lowe's charges following that Premiers' conference come out of the State budget itself because State government expenditure has increased significantly more than Commonwealth government expenditure. Where is the restraint in relation to that? If our budget had anything like the impact on this State that he claimed it was going to have, you would have thought that he would be really scrabbling to get an increase in expenditure of 3 or 4 percent. One would have thought that he would have had to had the most horrific increases in State charges and State taxes but that hasn't occurred. He has had an increase in expenditure of 10.8% as I am advised, and in some areas expenditure has gone up very greatly. There has been some taxation relief, lower land tax rate, estate's passing to children free from the State duties from January 1, and all of that belies the harshness of our treatment of Tasmania. It was in many ways, I would have thought, a fairly benign budget but it was one in which the State's growth of expenditure was significantly greater than the Commonwealth's growth of expenditure. That demonstrates very plainly that overall I have been more than fair in my dealings with the State of Tasmania, and I think that the State budget is a total repudiation of the campaign which Mr Lowe initiated for his earlier election.

Question:

Given the fact, then, that the State's governments seem to vary on how the Federal government has treated Tasmania, why do you then feel today that you have had useful discussions with Mr Lowe? He might turn around and say something quite opposite the next day?

Prime Minister:

I suppose it is my charitable nature. I always hope that what is said in these sorts of discussions will prevail for a little while.

Question:

.....(inaudible)....

Prime Minister:

Yes, there was a useful discussion. What Mr Lowe and Mr Batt said about the Callaghan report and our implementation of those policies, what they said about the Freight Equalisation scheme, I think these things were useful. On a range of other matters where there was an exchange of view - I mentioned the question of airfares, I have mentioned the Callaghan report. There was some discussion but it was not substantial in relation to what happens after the Empress of Australia. He expressed appreciation of the second Hobart bridge. He wanted some consultation between his officials and ours on public houses in Tasmania. We are happy to have our officials come down and enter into those discussions and Ray Groom will be organising that and will be reporting to me and to the Commonwealth after the discussions have taken place. There was some discussion about the restoration of Port Arthur, international fishery negotiations and the point of view of Tasmania was taken into account but it was recognised that those negotiations are proceeding, they should be allowed to go through the normal processes. Then there was question of coastal surveillance and Peter Nixon pointed out that there had been some delay in the total overall approach because of the Commonwealth desire to use Australian designed and built aircraft, the Nomad. Now, I think that exchange of views on these particular matters was useful. I think it is useful to try and establish a good working relationship, which as Mr Lowe readily conceded, in relation to the Callaghan report, he has with Kevin Newman.

Question:

Are you suggesting that in none of those issues the State was at all critical of the Federal Government?

Prime Minister:

It was not critical today, no. I'm not saying they have been asking for more, here or there. But, the whole tenor of the discussions was one of appreciation.

Question:

.....(inaudible)...

Prime Minister:

No, cabinet has not looked at that. There are always interesting suggestions coming out of the State of Queensland.