



PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

**SPEECH BY THE PRIME MINISTER
COMMEMORATIVE DINNER
CONSTITUTIONAL CENTENARY CONFERENCE
SYDNEY - 4 APRIL 1991**

Sir Ninian Stephen,
Members of the Steering Committee,
Premiers and Federal Parliamentary colleagues
Ladies and gentlemen

To all those responsible for arranging this Constitutional Centenary Conference, and this commemorative dinner, I want at the outset to extend my congratulations and my best wishes.

I say this not just because you are marking an important event in the political history of our nation, but because you are doing so in such a constructive and forward looking way.

Nothing would be more alien to the spirit of those who drafted the 1891 Constitution, and who for the entire decade of the 1890s pursued their ambition for a federal united Australia, than to mark this occasion in some desiccated or static fashion that overlooked the magnitude of their achievement.

Because it needs to be remembered, as we look back on the momentous 1890s, that there was nothing inevitable about the success of the Australian Federation movement.

Notwithstanding the vision and furious energy of Parkes, the farsightedness of Deakin, the determination of Griffith, and the commitment of all the others who produced the 1891 draft Constitution, there was no certainty that their efforts would succeed.

It required hard work, give and take, a sense of common purpose and a high degree of political leadership.

Those who attended the 1891 Convention had those qualities.

They arrived in this city and this parliamentary building as the leaders of separate and almost rival colonies. By the time they departed, they had transformed themselves into our first generation of national leaders.

And on the divisions of colonial rivalries they had laid the foundations for a united nation.

Of course, there was a number of differences between the plan of 1891 and the reality of 1901.

Not the least was that the federation that emerged was not Australasian but was, can one say 'merely', Australian.

It was the remarkable 79-year old Sir George Grey - the former explorer and colonial governor turned politician, who attended the 1891 Convention in his capacity as a former Prime Minister of New Zealand - who made it clear that New Zealanders would continue along their own path.

So we have Sir George Grey to thank for safeguarding our rights to enjoy Trans-Tasman cricket Tests.

Even with the boundaries of the federation restricted to this side of the Tasman, "the draft of 1891 is", as John La Nauze observed, "the Constitution of 1900, not its father or grandfather."

Now, I know this is not the place to inject any sort of partisan comment. But is it not remarkable that Sydney, in March and April 1891, saw the birth of not one but two enduring national institutions: it saw not only the drafting of the document that was to become the Federal Constitution, but also the emergence of the parliamentary labor party.

It took the entire decade, with many stops and starts, for the concept of a united federal Australia to bear fruit.

But one immediate by-product of the 1891 Convention was that the first platform of the New South Wales Labor Party, written in the atmosphere of enthusiasm engendered by the Constitutional Convention, included a staunchly pro-Federation plank.

A few months after the Convention, Labor scored its first electoral success, recording more than 100,000 votes and securing the election of 35 candidates as members of the Parliament of New South Wales.

It would be a brave person who would attribute this success to Labor's pro-Federation plank. The other fifteen planks of the platform included much more immediately attractive goals - electoral reform, an eight hours working day, and various other legislative amendments to improve working conditions.

But the point that needs to be made tonight is this: anyone reading that Labor platform today is reading a document that is obviously a relic of a by-gone era.

The same cannot be said for its contemporary, the 1891 draft Constitution.

The leaders who drafted the Constitution of 1891 and who forged the Federation of 1901, would no doubt be gratified by the durability of their achievement - a united Australia.

But I am sure they would be surprised to know that the details of their draft remain so firmly entrenched in contemporary practice.

I don't mean to imply that there has been no change in the way we govern ourselves.

- Australia has at last totally severed its residual ties with Britain;
- The relations between the Commonwealth and States have been changed, at times profoundly, within the existing framework of the Constitution - for example, with uniform taxation and family law;
- In the same way, judicial interpretation has allowed very considerable change in the role of the Commonwealth Government;
- And, all too rarely, change has been achieved through referendum - most notably with the triumph of the 1967 referendum on Aboriginal people.

But it is common ground to this audience, I believe, that we have to seek new paths towards a more contemporary Constitution.

I look forward to hearing from you tomorrow the outcome of your discussions over the last couple of days, and to hearing your assessment of the possible direction, scope and pace of further constitutional reform.

Let me tonight tell you where the Commonwealth stands, and in particular let me outline the progress we are making, in cooperation with the States, towards the goal of creating a more relevant and efficient federal structure.

Last July, I committed the Commonwealth Government to a new effort to create a closer partnership between our three levels of Government.

In a speech at the National Press Club, I outlined two tasks: the first, to move by sensible, practicable steps to achieve better co-operation within the framework of the Constitution; and the second, to apply the spirit of national co-operation in a new approach to reform of the Constitution itself.

Underscoring all that I proposed in July was the recognition that we must be about **achievable** reform.

As I said, we cannot totally re-write the Constitution. We cannot replace the Federal system.

But we can make the Constitution and the Federal system work better.

We can - and we must. The alternative is to abandon the challenge of becoming a truly modern society and of attaining our full potential as a prosperous and competitive community.

That alternative would mean that governments could exhort the private sector to reform its own practices and could encourage community groups such as trade unions to become more flexible, but would be incapable adequately of addressing their own shortcomings and of improving their own productive capacities.

That simply is an unacceptable alternative.

That is why I made my proposals in July and why I report progress on them to you tonight with a sense of pride but, more importantly, with a sense of urgency that more must still be done.

The Special Premiers Conference process has marked a milestone in cooperation between the Commonwealth and States and Territories.

Importantly, the Commonwealth has agreed to address the issue of Commonwealth-State financial relations, with a commitment - within our overall responsibility for proper management of the national economy - to aim to reduce the fiscal imbalance with the States, and to reduce the proportion of tied grants that go to the States.

As you will appreciate, these are issues of the utmost complexity. Progress will not be easy but there is the commitment to see if a mutually acceptable outcome is possible.

These matters are due for consideration by me and my colleagues in our meetings in May and November this year.

At the same time, we will be continuing to work towards a more efficient, competitive infrastructure within this country.

We have accepted, if you like, the imperative of doing what we can to create a single national economy, not a fragmented economy of nine separate jurisdictions.

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In roads and food standards, we have accepted the responsibility for reducing the vast regulatory overlap that exists within Australia.

In land transport and electricity generation, we are pursuing the very real gains that can come from adopting a national rather than state perspective on the provision of essential infrastructure.

In service delivery, in environmental protection, in industrial relations, we have committed ourselves to more effective and efficient co-operation.

We have established clear processes of review; with the Special Premiers Conference process itself, we have created a vehicle for implementing change, where none existed before; and we have demonstrated our commitment as leaders to resolve the issues and to reform the inefficiencies of the present Federal structure.

Last October, we established working groups of State and Commonwealth officials to prepare reports on: regulatory reform, road transport, rail freight, Government trading enterprises, non-bank financial institutions and electricity generation.

Progress reports will be considered at the next Special Premiers Conference, next month, and, with a third Conference scheduled for November, they will create the momentum for reform through 1991, and beyond.

As I foreshadowed in my 12 March statement, Building a Competitive Australia, I will also at next month's meeting be urging the States towards widening the ambit of the Trade Practices Act to create a more competitive national framework.

Our goals are to improve our national efficiency and international competitiveness, and to improve the delivery and quality of the services governments provide.

So I have been able to give the Australian people this double assurance. Where micro-economic reform can be achieved through the exercise of Commonwealth power alone, we will achieve it. And where it requires the cooperative endeavour of the Commonwealth and the States, we are doing all we can to secure that cooperation.

Together, we are making progress towards our goals.

Let me turn now to the second area of reform I outlined in my July speech: the issue of reform of the Constitution itself.

The sad history of reform by referendum speaks for itself: this is not a mission for the naively optimistic.

Too often - indeed, almost without fail - referendum proposals have become caught up in partisan controversy and they have failed to attain the rigorously defined majority specified by the Constitution for them.

This time, if we are to make progress, the major political parties must commit themselves in advance to presenting the case for agreed reform in a positive and unanimous fashion.

Today I believe we have the opportunity for such a process, aimed at achieving a Constitutional referendum mandating four year terms for the House of Representatives.

The arguments in favour of four year terms are compelling, and I understand you have canvassed them, and endorsed them, in your deliberations so far.

I am confident that the only possible obstacle to the successful passage of a referendum on four year terms is the risk of the proposal being buried in partisan conflict - as happened in 1988.

But there have been repeated indications that the Opposition might now be prepared to join the Government in publicly supporting a referendum campaign for four year terms.

Accordingly, I wrote to the Leader of the Opposition last week inviting him to discuss possible areas of agreement on this with me.

Clearly, these discussions would have to address the still unresolved questions of detail - such as whether a four year term should be fixed, and how to synchronise Senate terms.

Equally clearly, this is not the place to discuss the Government's proposal.

I can only stress once more the absolute necessity of obtaining bipartisan support, in advance, before the Government will contemplate another referendum campaign on this issue. That is the pre-condition.

Ladies and gentlemen,

I do believe that there is a new spirit of co-operation operating within the Federal structure of Australia today.

It is manifest in the progress that has been made at the level of the Special Premiers' Conference, and it is apparent in the serious and constructive discussions that have characterised this Constitutional Convention this week - discussions that embrace many parts of the Australian community and span generations of the Australian people.

None of this progress could have been achieved by either side of politics, or by any tier of Government, working alone.

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Reform is not a task for Government alone; enduring reform cannot be imposed by Government on the rest of the community.

The vital ingredient is the active involvement and commitment of the community itself. And it is through Conferences such as this that the community can participate, and can be educated and encouraged for further participation.

This will continue to require hard work, give and take, a sense of common purpose, and a high degree of political leadership by representatives of the whole Australian community.

As I have said, those are the very qualities that were needed at the Constitutional Convention in 1891 - and the very qualities that were in fact possessed and displayed by the convention delegates then.

If our work today continues to be characterised by such profoundly important attributes - and I am confident it can be - then we will indeed be able to ensure a renewed relevance and effectiveness for the Australian Federal Constitution as it approaches and enters its second century.

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