

DOUBLE DISSOLUTION

Following up his article in the last issue of *Semper Floreat* as to the case against a double dissolution, Clive Palmer herein presents his case as to why Labor should win on May 18th. Certain material has been supplied for this article by political sources and is used with approval.

THE DOUBLE DISSOLUTION: THE ARGUMENT THAT SUPPORTS LABOR POLICY

At 8.31 on Wednesday 10 April, the Prime Minister Gough Whitlam announced that the Governor General had accepted his advice to dissolve both Houses of Parliament. Only twice before in 1914 and 1951 had there been such an occurrence. However, this is the first time in history that a Labor Government has requested a double dissolution. During its 16 months in office, the Whitlam Government has had much of its important legislative programme frustrated by a hostile senate which was opposition controlled. In his advice to the Governor General the Prime Minister said 'The senate has by its attitude, brought about a position where the normal operations of government cannot continue. It's time that the situation was resolved and this can best be assured by the whole of the Senate and the House of Representatives being dissolved and new elections called. The Senate by failing to pass three Appropriation Bills, was denying to the Government, the money it needed to carry out its programme. Mr Whitlam outlined in detail the way the senate had obstructed key government legislation. The substance of health insurance was included in the 1972 election speech and was set out in A.L.P. official platform,' Mr Whitlam said. Of the 254 bills put before the Senate in the session of the 28th Parliament, 21 have been rejected or stood aside or deferred by the Senate, 'Most of these proposals of considerable importance and in many cases were put forward in fulfilment of the party platform and of promises to the electors in a policy speech.'

The Labor Party was given a mandate to govern this country in 1972 by the Australian people and this mandate has been continually frustrated by a hostile Senate that was elected before 1972; for this reason it seems very important that the politics of this country be brought up to the present 1974 and not frustrated by the politics of the past. It seems that if Labor is to win, it will win on its performance in the last 16 months of government and this in one area of the main point that Labor will fight their election on. In the rural sector which many papers have been critical of the Whitlam Government, it is interesting to examine their record and to put into reality so as not to be hoodwinked by a couple of disenchanted farmers in Western Australia.

WHAT HAS THE GOVERNMENT DONE IN RELATION TO THE PRIMARY PRODUCER?

The following extract is from the Prime Minister's speech to Parliament on 13th December 1973.

Rural industries are currently enjoying record prosperity and the Government is determined to preserve that prosperity. Its policies are designed to strengthen rural industry, place farming on a more businesslike basis independent of ad hoc grants and taxpayers' subsidies.

The Government has established an Industries Assistance Commission which will give aid to rural industries after open inquiry and independent scrutiny of assistance proposals.

Early last year, the new Government took positive steps to revive the drought hit Australian wheat industry and face up to its duty to provide as much wheat as possible for a grain-hungry world.

In June the Government announced that the existing 5-year Wheat Stabilisation Plan, due to terminate in November, would be extended for an additional year to give the new Government time to develop a new and improved stabilisation scheme.

The Government has increased the rate of tax paid by wheatgrowers for research into better wheat growing methods and has increased matching grants by the Government to support the research program.

The initiative of the new Labor Government in establishing diplomatic relations with China led to the signing in late 1973 of a long-term wheat contract between Australia and China and an important contract for the sale of sugar to China.

The Government announced a 3 year scheme beginning in 1974-75 for financing and programming wool research and promotion.

In Osaka in October 1973, the Minister for Primary Industry (Senator Wriedt) obtained agreement from Japanese wool spinners and importers that they would investigate the feasibility of long-term arrangements for the supply of Australian wool to Japan.

The Government has approved the allocation from various research trust funds of \$4.1 million for beef, lamb, and mutton research. In July, the Government announced a significant

change in the pattern of assistance to the dairy industry;

The Government has decided to extend the existing rural reconstruction scheme to cover 1973-74 and has authorised the States to make new commitments totalling \$36 m.

The Government has extended the rural lending activities of the Commonwealth Development Bank. It will provide up to \$550,000 on a dollar for dollar basis to New South Wales, Victoria, Queensland and South Australia to control the plague locust threat.

The Government has a total expenditure of \$7,210,000 for 1973-74 under the Commonwealth extension services grant.

INFLATION DEBATE

It is obvious by the statements of the Leader of the Opposition, Mr Snedden, that the Liberal and Country Parties will attempt to concentrate a deal of their campaign on the issue of inflation. Mr Snedden claims that inflation is a syndrome of the ALP administration as a result of its heavy commitment to increase public expenditure. But the statements of Mr Snedden, Mr Bjelke-Petersen in Queensland and other spokesmen for the Opposition forces, bear testimony to the assertion that apart from having no remedy for inflation, they just do not know what they are talking about.

The debate on inflation has been going on for over a year and was publicly initiated in March 1973, when Mr Snedden, expressing alarm at a marginal growth in the rate of inflation, publicly called for a Prices and Incomes Policy. Paradoxically, when the Labor Government sought to obtain necessary powers to fight inflation by way of the Prices and Incomes Referendums, Mr Snedden vociferously advocated 'No', and campaigned on the theme 'No more power to Canberra'. Now only four months later, Mr Snedden is advocating a prices and wages freeze with hidden emphasis on the aspect of wages. Obviously he did not see any significance in a similar experiment by Mr Heath who implemented a Prices and Wages Freeze in the U.K. for a three month period, the upshot of which was that inflation was still running at 11.9%

immediately the 90 days freeze had expired.

In October 1972, Dr Porter of the International Monetary Fund visited Australia and commented on a number of observations with regard to inflation. He stated that Australia would have experienced an inflation rate of 20% during 1973 if the Whitlam Government had not re-valued the Australian dollar as soon as it came to office. Further, he suggested that the real legacy of the Liberal-Country Party Government in Canberra under Mr McMahon as Prime Minister and Mr Snedden as Treasurer was the perverse effect of combined monetary and exchange rate policies, which in all probability generated a significantly higher rate of inflation that might have prevailed using different policy instruments. Dr Porter demonstrated that the Reserve Bank's aggressive bond selling operations over 1970-1972, which were designed to mop up excess liquidity, did nothing of the sort; instead they generated greater capital inflow, substantially increasing the base money supply — a fundamental contribution to inflation in Australia. The implications of Dr Porter's study are that with no significant policy changes, Australia's rate of inflation would have been well in excess of world rates. However, it can be demonstrated that a more enlightened and less entrenched view of the fixed exchange rate regime, which only finally emerged under the Labor Government, might have permitted Australia to avoid, or at least diminish, the level of inflation within the economy.

The Nation's leading economists claim that the stayput policies of the former Liberal-Country Party Government in Canberra, the market operations of the Reserve Bank and the rigidity of exchange rate changes of the Treasury, could not have been more perfectly combined to induce inflation. The result of Mr Snedden's intransigence as Treasurer has been the inflation which Australia now experiences.

Even the T.C. Winter Report recognises that inflation has been imported — that it is not a phenomenon peculiar to the domestic scene. He also points out that while the Australian Government remains the only national government in the world without powers over prices and incomes and other anti-inflationary measures, such powers were in fact held by the States. However, it is now history that the States, particularly those under non-Labor Premiers, unconditionally refused to exercise such powers, and refused to co-operate with the Federal Labor Government.

The Opposition parties will have to convey a number of half truths, and will have their job cut out trying to make an issue of economic management and inflation, if it is to be an election issue of substance. The difficulty is demonstrated by the state of the economy, which shows that in monetary terms Australians are experiencing unprecedented prosperity: rural incomes are trebled; industry profits are at an all time high; unemployment is negligible; and average weekly earnings are increasing steadily.

During 1972 inflation ran at 13.2% but the March figures for 1974 show that inflation is on the down-turn. It can be anticipated that in 1974 the inflation rate will be drastically curtailed provided a Labor Government is in office with majorities in both the House of Representatives and the Senate.

A United Nations Survey on inflation rates illustrates that of the 24 major nations polled, Australia lies in the lower bracket. Japan is experiencing a current inflation rate of 26%, in Iceland and in Greece it is 33% in the United States, United Kingdom, West Germany, Canada, Israel and New Zealand, inflation ranges between 10% and 18%. Clearly, Australia's position would have deteriorated under orthodox fiscal and monetary measures adhered to by the Liberal and Country Parties.

Mr Snedden has already promised a 600 million dollar taxation cut on personal income tax, but not even Mr Anthony will accept such a proposition. If ever there was a potentially explosive inflationary device, it is Mr Snedden's promise — as he and his colleagues seem solely concerned with courting multinational companies to the detriment of the Australian economy. The 'Financial Review' commented in its Editorial on 11 April, 1974, under the lead 'Mr Snedden's disturbing economic plans':

'Unpalatable as high interest rates may be, they are one of the few anti-inflationary tools....Cutting taxes may win votes but it is going to do nothing but accelerate inflation.'

In effect, the \$600 million promised by Mr Snedden is similar to the tax cut in the Liberals 1970 budget when 5% was applied across the board, wherein the high income earners were the main benefactors. \$600 million represents a significant portion of the estimated increase in receipts for the current financial year. Such a tax cut would sanction the acceleration of excess liquidity and hence give rise to severe inflation.

It might be recalled that the orthodox economies now proposed by the Liberals were similar to those implemented by the Menzies Government in 1951 when inflation spiralled to a rate of 22% for the year. Policies such as reducing public expenditure, cutting back on the Public Service, re-introducing unjustifiable bounties and removing the deposit requirements on fixed interest money giving more overseas, would surely have a disastrous effect on the Australian economy.

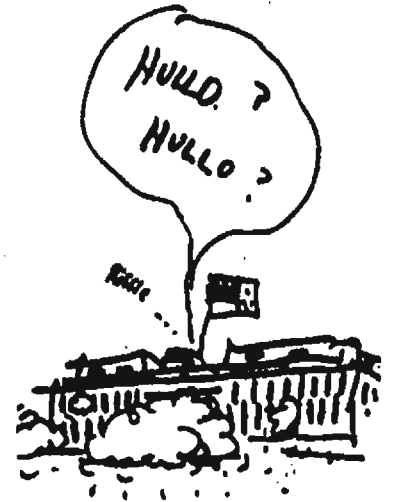


The Labor Government has revalued currency; it has cut tariffs; it has adjusted interest rates in the national interest; it has removed taxation loopholes; it has abolished excess subsidies; it has established a Prices Justification Tribunal and Joint Parliamentary Committee on Prices; and it has imposed a deposit requirement on foreign borrowings — these are but a few of the anti-inflationary measures adopted by the Whitlam Labor Government.

A health rate of growth in the economy has been maintained; full employment has been restored; and Australian overseas reserves have remained immensely strong. In 1973, the real gross domestic product is estimated to have increased by 6.5% compared with the 2% growth rate in 1972 under the Liberals.

In all the spectre of inflation will be raised by the Opposition parties during the election campaign as a 'fear' tactic, but it has no substance. The state of the economy is sound, business confidence is at an all time high and can be expected to remain so with the return of a Labor Government on election day.

Clive Palmer





RENT RIPOFFS AND STUDENT CHAUVINISM

Dear Sir,

Recently the Student's Union commenced a campaign directed against those ripoffs in flat/house rentals currently being perpetrated by most Brisbane landlords.

I normally would wholeheartedly support any action taken to bring about justice for tenants in this area. However many features of the Union's campaign dismay me. (These same undesirable features remaining an unquestioned part of many other Union and Student activities.)

I refer to the built-in assumption involved in most student actions and activities that these actions (etc) are in fact purely student concerns instead of being regarded in a more enlightened perspective as really being citizen or community concerns.

Surely the crux of the problem with rents in Brisbane and Queensland lies not in working out a method by which students can collectively beat the system as suggested, but instead lies in the nature of the existing tenancy system itself. The former approach only allows the system to continue to exist thus avoiding the real problem.

A more adequate approach in this particular campaign would be to strike out against the relevant Queensland laws and in so doing, exposing the fact that they have been completely stacked in favour of the landlords with no meaningful protection for the tenant. After appreciating this to be the real problem, students could with the assistance of other concerned citizens attempt to change the laws with the result of helping the community (of which they are only a part) as a whole.

On this same question, why didn't the Union and the students concerned campaign vigorously for the recent Labor Government referendum to control prices which it has been suggested could have given them power over rents as well. Again, why didn't students, a few years ago, campaign vigorously against the abolition of the existing Fair Rents Court by Joh and his cronies? Why in fact don't they still campaign against this abolition and fight for its return as part of an intelligent community effort to finally achieve some justice?

By way of comparison to Australian circumstances, in some Northern European countries students try to do away with the distinction, which we seem to accept, between students and the community. (Naturally, some genuine distinctions resulting from certain differing circumstances are allowed for). In these countries they do not actively promote such things as 'student concessions' even when the students themselves own the building, theatre, flats (etc) - instead they seek a cheap price for all involved. They are more loose with access to their exceptionally cheap travel schemes. They allow non-students to reside at their own prices in student living quarters and hostels. Most of their facilities and social activities are open to all and again prices are standard for all. Part of the result of this approach is the existence of a different, more desirable public or community image of students as a non-privileged grouping in these particular countries.

When are the majority of Australia's students and student organisations going to cease being so narrow, so exclusive, so elitist and self-centred in their attitudes towards issues concerning all the other exploited people who form the bulk of the society in which these students live?

Bruce Dickson.

Dear Sir,

In the last edition of Semper Floreat your correspondent, Clive Palmer, stated the following: "Mr. Snedden and Mr. Barton have lunched together and it now seems likely that the Liberals have an even chance of obtaining AP preferences."

This statement is unfortunate as it displays the correspondent's ignorance of the internal working of the Australia Party.

The Australia Party is unusual in that, unlike other parties, it does not leave important decisions such as the distribution of preferences to a Party hierarchy. That is, all members of the Australia Party vote to determine which way the party will recommend its preferences, if there is to be a recommendation at all.

The results of the ballots are not yet available but should be by the time this is printed. This ballot is not to be confused with the one which was held to determine the Australia Party's preference allocation for a normal half-Senate election.

Referring to the article by Clive Palmer again - Gordon Barton, it is true, had lunch with Snedden but he also had lunch with David Gomme (National Secretary of the ALP), which is not mentioned in his article. Anyway Barton has no power to direct preferences, all he can do is recommend a particular preference allocation to the membership, the same as any other member.

John Campbell,
Convenor of the Australia
Party Club.

Dear Sir,

At present I am engaged in writing a thesis - the topic being 'A Comparative Study of Student Unrest in Australia, the United Kingdom and the United States of America.' Information re U.K. and the U.S.A. is relatively easy to find but I am having great problems in finding any material re Australia. I am wondering if you would be able to help me in any way. I need to know the dates when demonstrations sit-ins, etc took place, the form each protest took and the issues involved. Could you possibly give me the names of any book or magazines which might contain relevant articles? Has any study on this topic been carried out by your University?

I will be most grateful for any assistance you can give me.

Judith Cousins
16 Frohisher Avenue
Sorrento, W.A. 6020.



WOTCHA VALUABLES

There have been a number of unaccountable losses of purses and briefcases from the libraries, seminar rooms and the refectory area in the past few weeks - losses which can only be considered outright theft. Tony Franks, the University Security Officer, wishes to issue a warning to all students, advising them to bring as little money as possible with them to University and not to leave their belongings unwatched.

Mr Franks is concerned that the environment on campus should be kept as 'free' as possible and realizes that any evidence of Security Officers "snooping" could be taken as an infringement on student rights. Therefore, he urges students to help maintain this freedom by taking extra care with their belongings.

It seems that very few students are aware of the Security Service, which operates twenty four hours a day, seven days a week on campus, and can be contacted by the emergency number 333. One relatively unknown but important service exists for female students who have to walk long distances after dark to cars or ferries - these students are advised to contact the Security Officer at the above number and an escort will be provided.

Linda Heron

Article: Semper Floreat, Volume 44 Number 2.

INTELLIGENCE.

The subsidence along Coronation Drive, which has meant that part of the road has had to be closed and traffic diverted, is proving something of a headache to the Brisbane City Council at the moment. The Brisbane river has gouged a cave stretching 35 feet from the river's edge under Coronation Drive, presenting a formidable problem for Council engineers.

The Council has called in a consultant engineer (at, I am told, almost \$5,000 a week) who has apparently advised the Council that major restoration work, involving the sinking of concrete piles, needs to be undertaken

or, otherwise, Coronation Drive will sink inexorably into the Brisbane river.

The Council, however, is, it is claimed, in favour of simply patching the road surface which informed sources say will do little to prevent the eventual disintegration of the threatened section.

If the Council does decide merely to do a cosmetic job, this is not going to disguise the fact that this part of Coronation Drive is perched tenuously on a hole. And the hole may swallow more than a couple of hundred yards of bitumen - perhaps some irate commuters' votes, Mr Jones?

The Press Secretary,
Lord Mayor's Office,
Brisbane City Council,
King George Square,
BRISBANE. 4000.

26th March 1974.
Ref. .046

Dear Sir,

Enclosed is an article printed in the latest edition of the University's News/Magazine "Semper Floreat" with respect to the current roadworks along Coronation Drive. I would appreciate your comments on same, particularly should there exist factual inaccuracies in this item.

The photostat report also enclosed raised certain questions in my mind about the nature of the Coronation Drive flood damage. Is this rock and fill a partial alternative to the sinking of concrete piles in the road section, or simply a necessary and additional preventative to further disintegration?

One final point, an opinion has come to my attention that the subsidence involved was due to the closure of the Somerset Dam by the Lord Mayor (a decision I believe to have been correct). It has been said that the reduction of the flood water level was so rapid as to "pull out" as it were, rock and soil beneath this section of Coronation Drive.

I would appreciate your attention on this matter, and await your reply.

Yours faithfully,

David R. Franken,
Editor, 1974.
SEMPER FLOREAT.

(Editor's note: the 'photostat report' referred to in the above letter was a clipping from the "Courier Mail" of March 23rd showing a load of rock being dumped into the Brisbane River off Coronation Drive opposite Sylvan Road.)



LORD MAYORS OFFICE
BRISBANE

Mr. D.R. Franken,
Editor,
"Semper Floreat",
The Union,
University of Queensland,
ST. LUCIA. 4067.

5th April, 1974.

Dear Mr. Franken,

I acknowledge receipt of your letter dated 26th March, enclosing a cutting from "Semper Floreat" regarding Coronation Drive. It is obvious, however, from the cutting that your reporter has not bothered to obtain his facts correctly.

The true situation with regard to Coronation Drive is that, firstly, the river has scoured out close to the bank to a depth considerably in excess of that before the floods but this scouring is not under Coronation Drive. Scouring of the river bank is one of the contributing causes to the soil slip at this location. The other is the depth to which the road was covered with water during the flood.

The Council did engage a firm of Consulting Engineers who are expert in the question of soil mechanics to advise on the situation. The Consulting Engineers did not recommend piling as suggested by your reporter. In fact the recommendation made by the Consultants was for the placing of rock fill in the river. This confirmed the Council's ideas in the matter also. The rock that is now being placed in the river is being placed as a permanent repair to the problem. The object of the rock is to replace the material scoured out and so give support to the toe of the existing bank. When all the rock has been placed and the slip is once again stable, the road surface will be reconstructed and will have a good riding quality.

Because of the Council's concern for the safety of the travelling public, Coronation Drive has been closed for such a length of time and you can be assured it will not be opened to traffic until it is considered completely safe for motor vehicles to use.

Finally, it could not be said that the closure of the gates on Somerset Dam was the cause of the slip in Coronation Drive.

Yours sincerely,


(Clem Jones)
LORD MAYOR