

**CONFIDENTIAL**

**GOVERNOR-GENERAL'S OFFICE**

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*Subject* **THE GOVERNOR - GENERAL'S**  
**PERIODIC CONFIDENTIAL REPORTS**  
**TO THE QUEEN. PART 1.**

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BUCKINGHAM PALACE

PERSONAL AND  
CONFIDENTIAL

8th October, 1975.

*Dear Governor General*

Many thanks for your letter of 30th September which The Queen has read with the greatest interest. Her Majesty commands me to thank you very much for keeping her informed, through your letters, of developments in the present situation which raises so many difficult constitutional and political problems for you: or perhaps I should say "may raise" as we must all hope that in the event they may not arise.

I am much relieved that the Prime Minister seems to have abandoned his idea of presenting the Appropriation Bills to you for assent if it had been rejected by the Senate. From your point of view this would have been a real bouncer and not at all easy to play!

The Prime Minister's new tactic seems to me much more reasonable and therefore more likely to be used. I imagine you would have no constitutional difficulty in agreeing to a Half Election of the Senate. What is not clear to me, however, is whether any difficulty which might arise through a State Premier refusing to allow his Governor to issue the writs would be as you suggest firmly on the Prime Minister's plate or whether some of it would also be on yours. I do not of course know enough of the constitution to have any idea what the next step would be if the writs were not issued, but I imagine there would be considerable problems in it in which you would be involved.

If the crisis does boil over at the end of this month The Queen will, of course, understand that you will have to stay at your post to deal with it. She will much regret this, but if the worst happens there should be no difficulty as far as we are concerned in arranging alternative dates for your visit.

The Queen sends you her best wishes in these difficult times.

Yours sincerely

Marlene Chantam

His Excellency the Governor-General  
of Australia.



BALMORAL CASTLE

PERSONAL AND CONFIDENTIAL

2nd October, 1975.

*My dear Governor General*

Your two letters of 20th September have been read with much interest by The Queen and Her Majesty has told me to tell you that she has also had a very full account from Prince Charles of his talks with you.

The Queen is delighted that everything went so well in Papua New Guinea over the Independence celebrations. I have had a long talk with Prince Charles myself and I can assure you that he thoroughly enjoyed his visit and the opportunity it gave him of representing The Queen on an historic occasion. Prince Charles also told me how much he enjoyed his conversations with you.

Your letter in which you describe the political situation and the problems which may face you as a result of it is of extreme interest. I hope very much that we shall have an opportunity of discussing these problems in November before they come to the boil. I hope even more that they will not come to the boil at all !

To my untutored eye it does appear that section 53 of the Constitution leaves the Senate with the power to reject money Bills, if only because it is NOT stated that such power does not exist. Had the intention been to deny this power to the Senate it would surely have been stated in this section which is so specific about what the Senate may or may not do about money Bills ?

An interesting reflection, even if it is of no practical value, is that perhaps "conventions" in constitutional procedure become more binding where there is no written Constitution than where there is.

If the Senate does reject the Appropriation Bills and the Prime Minister, nevertheless, presents them to you for assent your position will be most unenviable. Unless one knows all the facts and precedents it is difficult, and perhaps unhelpful, to express a view. But perhaps it would not be improper to ask a question.

"Would you in fact have the constitutional power to give assent to a Bill which had not passed the Senate. Does the Constitution not preclude you from doing so ?

And perhaps I might ask another question.

"If you were asked to give assent to a Bill which had not passed the Senate, could you get the matter tested in the High Court without having given assent, or could the High Court only consider the matter if your action in giving assent was challenged ?"

In all these difficult matters I am sure you are right to keep your options open and not to decide now what you will do in any given circumstances. When an actual crisis comes the circumstances are so often subtly yet decisively different from what was visualised.

I hope you are right in believing that the crisis will probably be avoided and that something will "give." Reason certainly dictates that it should !

Prince Charles told me a good deal of his conversation with you and in particular that you had spoken of the possibility of the Prime Minister advising The Queen to terminate your commission with the object, presumably, of replacing you with somebody more amenable to his wishes. If such an approach was made you may be sure that The Queen would take most unkindly to it. There would be considerable comings and goings, but I think it is right that I should make the point that at the end of the road The Queen, as a Constitutional Sovereign, would have no option but to follow the advice of her Prime Minister.

Let us hope none of these unpleasant possibilities come to pass. I believe the more one thinks about them the less likely they are to happen: the umbrella/rain syndrome !

I look forward to discussing them all with you in November.

The Queen sends you her best wishes: she is very conscious of the problems that may face you, and confident of your ability to deal with them.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.

Government House,  
Canberra. 2600.

30 September 1975.

*My dear Private Secretary,*

I had an interesting conversation yesterday with the Prime Minister about the current political and constitutional problems on which I should report to Her Majesty to bring her up to date.

The Prime Minister does not seem to be taking the view any longer that he could present to me Appropriation Bills which had been rejected by the Senate and ask for Royal Assent. He has not said so publicly and a lot of discussion still goes on in the Press about the impropriety of doing so and arguing that I should refuse under such circumstances.

I really do not think this is likely to happen. The Attorney-General said to me today privately that he was of the clear view that under Section 53 of the Constitution, the Senate has the legal power to reject the Appropriation Bills and that such Bills must be passed by the Senate before they can be put before the Governor-General.

The Prime Minister has, however, evolved yet another tactic which he is trying out publicly. It was mentioned for example in today's "Melbourne Age". He told me about this tactic yesterday.

Mr Whitlam, if he were defeated in the Senate, says that he would ask me for what is called a Half Election of the Senate. There are ten senators from each State and half of them retire every three years, the full term for each senator being six years. Those who are to cease to hold office on 30th June 1976 have to be replaced as a result of a new election held between now and the end of July 1976. Frequently, such an election has been held in the preceding December, sometimes to enable the election to coincide with an election for the House of Representatives and at other times as a separate Half Senate Election.

The election of half the Senate, which can be held at any time from now onwards, is not in any way connected constitutionally with the question of the Appropriation Bills. Mr Whitlam's tactic is to say that if the Senate rejects the Bills the Senate should be the House to face the people and as a Half Senate Election is due that is what he would recommend.

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There is a possible difficulty for him in this approach because the Senate being regarded as the State's house, each State enjoying equal representation, the writs for a Senate election are issued by the Governors of the States at the request of the Governor-General in Council. Things are so complicated here as between the States and the Commonwealth that the Prime Minister believes it to be possible that one of the State Premiers, at least, might refuse to allow his Governor to issue the writs at the time requested. This aspect of the matter has not been worked out. The Prime Minister believes that the writs will probably in fact be issued but he has to give some thought to the possibility of a revolt in one or more of the States.

The two States likely to be mainly concerned are New South Wales and Queensland.

Normally, five senators would be elected from each of these two States but as there is a casual vacancy which has been filled in each of these two States, six senators will have to be elected. The Prime Minister believes that the Labor Party, which he concedes would, out of five senators, get only two elected in the present political climate, will get three out of six. The reason for this is that proportional representation and voting operate under the electoral laws for the Senate.

In this way he believes that Senators Bunton and Field, who are filling casual vacancies, will be eliminated and two Labor senators will take their place. Normally speaking, senators elected in the Half Senate Election take office from the 1st July next following the election. In New South Wales and Queensland this would apply to the five senators being elected in each State to fill the ordinary vacancies which occur on 30th June 1976. But the two senators elected to fill the casual vacancies at present occupied by Senators Bunton and Field would take office immediately on the declaration of the poll.

I asked the Prime Minister what he would do for supply whilst awaiting the Half Senate Election. He said, first, that particular Appropriation Bills relating to particular matters such as the Commonwealth's overseas debts would be presented to the Senate and some of these would doubtless be passed, but he accepts the position that other Appropriations would inevitably not be agreed to, if the Opposition once makes up its mind to refuse full Appropriations, and that therefore for the period up to December, if the Opposition remained solid on this point, the Commonwealth would be unable to meet its obligations.

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I asked him whether he thought that Mr Fraser would grant him temporary supply until after such a Half Senate Election. Whilst thinking this might be possible, he was very doubtful about it. He realised that there would be a profound constitutional crisis when the money started to run out in early November and from then until any such election in early December, but he says he will certainly not recommend a double dissolution of the House of Representatives and the Senate; on the contrary, he would call for a vote of confidence from the House of Representatives and would argue to me that he is entitled to retain his commission for as long as he holds the confidence of the House of Representatives, despite his failure to obtain supply.

I should say, incidentally, that it is believed that the Appropriation Bills will go to the Senate on 14th October. It should be clear between then and the end of October what is going to happen. Everything I have so far said is, of course, dependent upon what Mr Fraser decides, but so far he has continued to maintain his own counsel though he is obviously under very great pressure to do what he can to bring the Government down.

The two Ministers at an Executive Council Meeting today expressed to me their own private views that supply would probably be denied. However, this still remains to be seen.

The Prime Minister says that, if he can get through until after a Half Senate Election is over, he will then re-present the Appropriation Bills to the Senate. If they are rejected again he would then probably advise a double dissolution but says that the ensuing election could not take place until February 1976.

The effect of all of this on our trip to London is disturbing from my point of view. We are planning to leave Australia on 5th November for Canada and to arrive in London on 11th November.

If there is a real constitutional crisis involving the question of a Half Senate Election at a time when even temporary supply is not available I shall be forced, of course, to stay at home to deal with it.

I am very sorry indeed that things are developing in this way but am still hopeful that one way or another constitutional stability can be achieved during November.

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Naturally I shall keep Her Majesty fully informed as to what happens and hope that she will understand the dilemma in which I find myself.

Please assure Her Majesty of my continued loyalty and humble duty.

Yours sincerely,

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



BALMORAL CASTLE

24th September, 1975.

PERSONAL AND  
CONFIDENTIAL

*My dear Governor General*

Many thanks for your letter of 12th September which The Queen has read with much interest.

I understand that The Prince of Wales, who has just returned to Balmoral, has enlarged to The Queen on the problems you are facing as a result of his talks with you. As I have had occasion to remind you on previous occasions, the Governor-General of Australia does not seem to lie on a bed of roses and it is clear that you may be faced with some difficult constitutional decisions during the next month or so. We must hope that nothing will happen to prevent your visit to London in November. I know that The Queen will look forward very much to hearing from you how things develop.

I have not yet had an opportunity to hear from The Prince of Wales about the Papua New Guinea celebrations but I much look forward to doing so. The only thing I do know is that he thoroughly enjoyed himself.

*Yours sincerely*

*Marjorie Chanters*

P.S. I suppose you know Eugene Forsey  
in the "The Prerogative of the Dissolution" ?

I believe he lays it down as a principle  
that if supply is refused this always makes it  
His Excellency the Governor-General  
of Australia. *Constitutionally proper  
grant a dissolution.*

Government House,  
Canberra. 2600.

20 September 1975.

*My dear Private Secretary,*

I am writing this letter on the plane on the way from Perth to Sydney. We came to Perth direct from Papua New Guinea and I want to get this off to you in Monday's bag.

Everything went marvellously well in Papua New Guinea. His Royal Highness The Prince of Wales was an enormous success. Their planning was quite good though there were some delays due to traffic difficulties at the beginning. I do not know how the Prince's tour outside Port Moresby went though I understand it was wet for part of the time. I held the last investiture before independence and Prince Charles the Independence Day Investiture. Bougainville and the whole of the country experienced no disturbances. Indeed there were in Bougainville quite happy celebrations involving considerable numbers. We can certainly hope it will all turn out, as you say, to be a "non event". The real signs will be found in the situation at the mine. If things remain peaceful and production continues there will be a lot of Melanesian talking and, doubtless, an ultimate Melanesian "consensus". I hope Prince Charles found the occasion reasonably interesting. It was from our point of view very moving.

I had some interesting talks with His Royal Highness and also with Squadron Leader Checketts.

We look forward to Princess Margaret's visit. I have written a note to her to say so and my wife and I will try to make her visit especially to Canberra happy and congenial. We shall be seeing her for an hour or so at Admiralty House, Sydney just before we leave for overseas and she leaves on her journey home.

I shall discuss in a separate letter our political situation here and our trip.

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Please thank Her Majesty for her references to our visit and for expressing interest in my letters. As well, of course, please assure The Queen of our continued humble duty.

*Yours sincerely,*

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

Government House,  
Canberra. 2600.

20 September 1975.

*My dear Private Secretary,*

I am still away from home but am keeping up with the constitutional crisis as well as I can. The Prime Minister and I had a detailed and important talk in Port Moresby. In addition to the possible confrontation which I previously mentioned he and his ministers have let it be known publicly and he has told me privately that he has another tactic in mind. Section 53 of the Constitution dealing with the Senate's power to deal with money bills is as follows:-

"Proposed laws appropriating revenue or moneys, or imposing taxation, shall not originate in the Senate. But a proposed law shall not be taken to appropriate revenue or moneys, or to impose taxation, by reason only of its containing provisions for the imposition or appropriation of fines or other pecuniary penalties, or for the demand or payment or appropriation of fees for licences, or fees for services under the proposed law.

The Senate may not amend proposed laws imposing taxation, or proposed laws appropriating revenue or moneys for the ordinary annual services of the Government.

The Senate may not amend any proposed law so as to increase any proposed charge or burden on the people.

The Senate may at any stage return to the House of Representatives any proposed law which the Senate may not amend, requesting, by message, the omission or amendment of any items or provisions therein. And the House of Representatives may, if it thinks fit, make any of such omissions or amendments, with or without modifications.

Except as provided in this section, the Senate shall have equal power with the House of Representatives in respect of all proposed laws."

This was written into the Constitution in 1901 at a time when the Parliament Act (U.K.) of 1911 had not been enacted. It has always been thought by lawyers to leave the Senate with power to reject money bills but there has been a convention that it should not - a convention always observed until now. In 1974 there was not a rejection but only a

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threat to reject and the Prime Minister took up the challenge and advised a double dissolution. Supply was then granted. The Prime Minister, in Port Moresby, told me that he was minded if the Senate rejected the Appropriation Bills, to present them to me nevertheless for assent with advice that the Senate has no legal power to reject them. He asked me what I would do if he were to take this course. I rather parried this by saying that if he did this there would be an uproar but doubtless the High Court, assuming I did assent, would hear immediately a case to declare the resulting "Acts" invalid and he agreed. The Attorney-General has been reported as saying that the Senate has no legal power to reject money bills but he has written to the Press denying that he said this.

In fact, if the Opposition does reject the Bills and the Prime Minister takes the suggested course backed by proper legal opinion, I may have to consider assenting. Money would probably not have run out at this stage. There would be a couple of weeks to test the point in the High Court. If the "Acts" were held to be valid, caedit quaestio, as we lawyers say; if as is more likely, they were declared to be invalid then supply would have been denied. The Prime Minister would on stated intention try again with the Senate. Mr Fraser's will power and the Prime Minister's would be being tested and the crisis very close. I should say that at the Dinner of the Order of Saint Michael and Saint George Sir Garfield told me he could not, for internal reasons in his Court, guarantee an early decision and expressed the view that the need for Senate acquiescence was quite clear. His opinion was that in the contingency under consideration I should refuse to assent but agreed that, alternatively I could leave the matter to them.

The Press is almost universally against Mr Fraser on all of this and, to give you the atmosphere, I enclose a few cuttings. You will see that my role is being openly canvassed.

Another point of importance put to me by the Prime Minister in Port Moresby was that if I were, at the height of the crisis, contrary to his advice to decide to terminate his commission at the time when the public service, defence forces, police and so on were not being paid he would have to tell me that Mr Fraser would not be able to get supply either because new legislation would probably be necessary and it would not pass the House of Representatives. He was, however, frank, saying that it may be legally possible for Mr Fraser to revive the Bills which have already passed the House and then have them passed in the Senate. We were of course, talking on quite friendly terms in all of this.

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One point is that if neither can get supply and public servants etc. are not being paid it is said that only an election can resolve the point and if Mr Whitlam will not advise one I may have to find someone who will. My mind is at the moment open on this. In Port Moresby the Prime Minister said the unpaid people would have to rely on a promise for a while. He would, on this view, ultimately advise an election though he did not say he would. I suppose he would rather go to the people as Prime Minister after sheeting home responsibility to Mr Fraser. The latter would however have always said supply would be immediately granted if the Prime Minister would agree to go to the people. Who would be blamed would be a big question in the election.

Mr Fraser and Mr Anthony were both in Papua New Guinea but naturally I had no talks with them about the crisis.

You will note that in what I have written I have expressed no view about what I may do in various contingencies. I think it better to keep my mind and my options open so that if the worst happens I can decide at the last moment what to do. I am however thinking hard.

All of this has a very great element of bluff in it and the crisis will probably be avoided on the assumption that "something has to give". The better view is that it will probably be Mr Fraser's will power, or rather his inclination to succumb to pressure, but we really do not yet know. It may all be resolved by the time you get this letter. Of course Mr Fraser has not said he will reject supply. His public position is still the same. It is his refusal or failure to say categorically that he will not that has created the problem. Mr Whitlam has challenged him to do so but he has so far refrained.

As to the trip to London the Prime Minister is most anxious for it to go on and be announced on the basis that if supply is rejected before I leave it will have to be cancelled. Presumably the same would apply if the crisis were still unresolved by 3 November when we are due to leave. I hope you agree that it is better to proceed as planned.

A possibility is that only Canada would need to be cancelled. We still hope to be in London and to be received by The Queen and believe that this is the likely way that things will turn out.

*Yours sincerely*  
JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

## FINANCIAL REVIEW

MONDAY, SEPTEMBER 15, 1975

Exit the Marquess  
of Queensberry

It now seems likely that the Opposition, if it continues its desperate bid for Government, could force a constitutional crisis on Australia of quite grave proportions.

Mr Whitlam has made it clear that should the Opposition refuse to pass the Budget in the Senate (a prospect that grows more likely each day as Opposition members try to drum up the courage and the public support) he would regard himself as being under no obligation to call an election for the House of Representatives.

In essence Mr Whitlam is saying that he will not play the game according to the 1974 rules.

Following the Gair affair in April last year it was obvious that both sides were spoiling for an election and the Government chose to treat the Senate's indication that it would not pass supply as the trip-wire to ask the Governor-General for a double dissolution on the grounds of legislation already rejected by the Senate having fulfilled the requirements of Section 57 of the Constitution, which covers conflicts between the House of Representatives and the Senate.

The Senate then went on to pass the Government's Budget. Refusal of an upper house to pass supply or appropriation bills has always been accepted as an effective way to cut off a Government's water, and one that has been used on odd occasions in State Parliaments.

It has never been used in a Federal Parliament. The unwritten convention has been that the Senate should not reject a Budget passed by the House of Representatives, the people's House and the chamber where Governments stand or fall. But there is no doubt that the Senate has the power.

If the Senate (or more correctly the Opposition through the use of its numbers in the Senate) chooses to exercise that power by knocking over the Budget the question arises as to what happens then.

The Opposition, quite naturally, expects Mr Whitlam to drive out to Government House and seek an election.

But Mr Whitlam has said to hell with that. He said on Friday: "One can say there is no obligation by law, by rule, by precedent or by convention for a Prime Minister in those circumstances which are threatened, to advise the Governor-General to dissolve the House of Representatives and have an election for it."

Mr Whitlam is quite right. There is no constitutional compulsion on him to seek an election for the House of Representatives should the Senate reject the Budget.

The decision on what flows from rejection of the Budget is entirely for the Prime Minister. He has various options, from doing nothing, to seeking a single dissolution, a double dissolution or even bringing forward the Senate election due before next June.

Mr Fraser has described Mr Whitlam's remarks as arrant nonsense, and said that if Mr Whitlam fails to call an election after rejection of the Budget the Governor-General could be forced to sack him.

Undoubtedly Sir John Kerr has the power to do so, but that is another question altogether.

If and when Sir John Kerr decided to revoke Mr Whitlam's commission and call an election the nation would be in the grip of a raging constitutional crisis and today's major issue of economic management would play second fiddle in the campaign.

That is the legal situation, and it ill behoves the Opposition to start waving conventions at Mr Whitlam.

After the ludicrous appointments of Senators Cleaver Bunton and Albert Field, and the threat to use Senate numbers for the second time in two years to cut off a Government's money, the Liberal and National Country parties have little credibility when it comes to constitutional conventions.

It is becoming increasingly evident that the 1974 election and the phony war over grounds for rejecting a Budget have wrought a fundamental but as yet little understood change to the Australian political system, and a very nasty one at that.

All the rules and conventions that govern the conduct of our political affairs have been trampled on as one side recklessly seeks to seize power and the other, acting out of desperation, seeks to hold onto it.

Bushranger politics have become the order of the day.

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## Mr Fraser's problem

FEDERAL Parliament resumes next week with the wrong issue beginning to dominate our national affairs.

Controversy about whether the Opposition should seek to force an election by refusing supply is diverting attention seriously from our continuing real problems of inflation, unemployment and economic stagnation.

Mr Whitlam is now able to mask his government's weakness, and his own personal unpopularity in the polls, with a theatrical demand upon Mr Fraser to kill election speculation. Mr Fraser is under great pressure to precipitate now an election which, on all indications, the government must surely lose badly.

After only six months in the job, Mr Fraser faces clearly the task that his predecessor, Mr Snedden, failed to tackle successfully — the need for a positive personal decision running counter to the ideas of powerful colleagues.

Yet despite the difficulty of Mr Fraser's decision on whether to refuse supply there can be little doubt as to what it should be. The temptation to take over government quickly must give way to an important democratic principle. The party with a majority in the House of Representatives should provide the government of the country. This is our custom, as Mr Fraser, a declared man of principle, should accept.

### Option still open

This is not to say that the Whitlam Government is remotely satisfactory. Despite welcome initiatives in some areas, overall it has proved a bad government, and its policies have been the main factor in creating the greatest economic mess since the depression.

But Mr Fraser himself in March declared that the government should be allowed its full term unless "quite extraordinary events" developed. The question is whether such a situation can reasonably be said to have arrived.

Today, the answer must be "No."

This, of course, could change. If indexation breaks down; if unions defy wage restraint; if there is crippling industrial turmoil; or even if some internal struggle, like the Harradine affair, breaks up the Labor Party, Mr Fraser may well have grounds for action. That is why, although the time is now inappropriate to seek power, he may justify keeping open the ultimate option.

Mr Fraser, then, has a complex and difficult decision to make. He would be wrong, however, to break a basic parliamentary principle to counter-attack the Budget, through refusal of supply, when no "quite extraordinary" events have occurred because of it.

# More Budget argle-bargle may point to breakdown of parliamentary system

By ANDREW CLARK

Continued speculation on the rejection of the Federal Budget has opened up a number of consequences, some of them pointing to a breakdown in the parliamentary system.

The message is that Gough Whitlam will play it hard. If the Budget is rejected, he may advise the Governor-General that there is no reason to call an election. This would result in the Government machine coming to a halt.

However, the Governor-General — in this case the Labor appointee, Sir John Kerr — has wide discretionary powers. If he decides that the system of government is in jeopardy he has the power to ignore the Prime Minister's advice and issue writs for an election.

There are also precedents for his commissioning the Opposition Leader to form a Government. However, Mr Fraser's Government would be short-lived, as the tightly disciplined Labor majority in the Lower House would defeat him on the first vote.

One interesting possibility is that the Governor-General may request — he has no power to demand — the Opposition-controlled Senate to pass the Money Bills in the Name of the Queen.

An example of the instability Upper House rejection of a Budget can bring is found in the turmoil surrounding Victorian Governments in the early 1950s, before the arrival of Sir Henry Bolte.

On October 28, 1952, a Country Party Government led by John Gladstone Black McDonald had its Budget defeated by the State Upper House when a number of Liberals and Labor MLAs mustered a sufficient majority.

The same day the Liberal leader in the Lower House, Thomas Tuke Hollway was commissioned to form a Government. His ministry lasted three days before it was defeated in a vote in the Legislative Assembly.

McDonald was commissioned to form another ministry. This lasted 43 days before it too, was defeated. The Governor issued writs for a poll which resulted in the election of a State Labor Government under John Cain. This lasted one year and one day.

A similar situation in England is drawn in the book, *The Strange Death of Liberal England*, by George Dangerfield. The Liberal Government under Herbert Asquith had its Budget rejected by the Tory-dominated House of Lords. This resulted in the passing of the Parliament Act, which removed the

power of the British Upper House to reject money bills. Upper Houses in Australia are the only ones in the world which retain this power. During this constitutional crisis, the Asquith Government, like the Whitlam administration, was unpopular.

During this crisis, according to Dangerfield, "The English constitution was gravely threatened."

"Yet it was a curious thing that only about liberal laws was the country offered its right to second thoughts: Conservative bills went through the Upper House unquestioned and unharmed."

The dilemma for Australians is that it is not so simple here. The Upper House, like the Lower House, is elected on a full franchise.

It may prove an irreconcilable point of the Australian Constitution that, while Governments are supposed to be made or broken in the Lower House, the freely elected Upper House also has the power to dismiss Government, or, as may happen with the Budget, make Government unworkable.

Meanwhile, the Government's most immediate problem is reflected in the reaction of a Labor MP when reading his paper over breakfast last Saturday week.

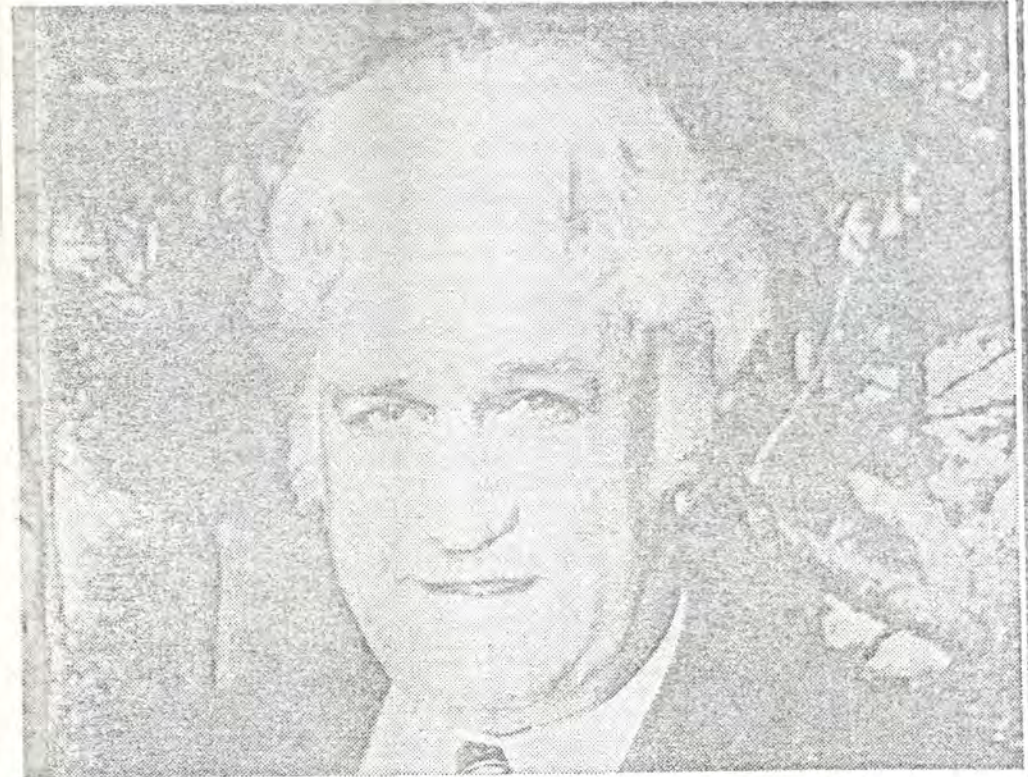
Glancing at the two main stories on the front page — one on Labor's popularity rating and the other on the this coming week's ACTU Congress — he muttered: "we're finished." His wife replied: "that poll does look bad."

But he was referring rather to the story about an ACTU Executive motion calling for the rejection of wage indexation without complementary tax indexation.

However, Labor MP's are now hopeful that statements made by ACTU and ALP President Bob Hawke at a recent Caucus manpower committee meeting will give them breathing space.

They say Mr Hawke told the manpower committee meeting he would be opening the congress with a speech pleading for wage restraint and general adherence to the Government's wage indexation guidelines.

Some MPs feel he implied that he would be likely to use the argument that unless the trade union movement goes along with wage indexation, the Government will introduce its foreshadowed amendments to the Arbitration Act, which aim at centralising the Commission's wage fixing structure, and emphasising economic factors in its decisions.



Governor-General Sir John Kerr... wide discretionary powers.

# MONEY

INSIDE: Marrickville has difficulties in disposing of its chooks; Home-building revival helps F and T Industries; Business has to cope with too many laws; The Jobs Column.

## Gough's strategy is to tough it out — which leaves Malcolm with a mess of problems

By JOHN EDWARDS

The Prime Minister is using the McGuarr Theorem to frighten the Opposition away from rejecting the Budget.

Darce McGuarr, who has now returned to academic work in his home town of Toowoomba, was for two years the adviser to Lance Barnard in Defence and one of the most influential insiders in the Government.

Late last year, when rejection talk was also in the wind, he proposed a new strategy to deal with it. Instead of reaching an arrangement with the Opposition to fund the Government after the Senate had rejected Supply, as happened in April 1974, the Government ought to announce beforehand that it would make no arrangement, allow the money to run out, and tell the Opposition that the consequences would be on its own head.

The idea rapidly circulated through the Government and percolated up through the Prime Minister's staff to Mr Whitlam who, in off-the-record briefings last week, made it clear that he had firmly adopted the new strategy.

The crucial point about the strategy is that it is more a way of warning the Opposition off than maximising the chances of the Government at an election which, sooner or later, would have to be held. The idea is that once the Government announces its intention to keep going, the Opposition will think twice about rejecting the Budget. It is, in other words, essentially a bluff and its success depends on convincing everyone, beginning with the press, that this is what the Government really will do.

That is not to say that Mr Whitlam would not try to carry on if the Budget was knocked back, but it is to say that the McGuarr Theorem does not extend to explaining what advantage there would be if he did.

Both the Prime Minister and the Treasurer, Mr Bill Hayden, said last week that the Government will probably have enough money to carry on normally until November. It is funded by Supply bills already passed which are designed to provide the Government with enough money to pay its public servants and meet the normal running costs of administration until the Budget is passed, as it normally is, in late November.

The Budget Bills — Appropriation Bill 1 and 2 — provide only for the running expenses of the Government and certain capital expenses met directly by Commonwealth departments. They do not cover pensions, or the great bulk of Commonwealth spending in education, urban and regional development, housing, health and so on which are made as grants to the States, and which are funded from standing appropriations under a multitude of separate Acts of Parliament.

The Prime Minister's refinement of the McGuarr Theorem is that if the Opposition rejects Appropriation Bills 1 and 2, presumably some time in November, he will simply present them again and again on each day the Senate sits, while newspapers carry daily banners about overtime payments cut, Government rents unpaid, office stationery running out, and finally public servants not being paid at all.

Ultimately the Governor-General, Sir John Kerr, will have to do something for the peace, order and good government of the Commonwealth. He would ask the Prime Minister over, and tell him that there has to be an election — either for the House, or a half Senate, or a double dissolution of both Houses. Meanwhile, the Constitution appears loose enough to enable the Governor-General to appropriate some money on his own authority to keep things going until the result is declared.

The details of this scenario are almost impossible to predict — and therein lies its attraction for the Prime Minister. It would certainly be messy and protracted, and therefore not as safe a bet for

Malcolm Fraser as waiting until the Government decides to call an election in its own good time.

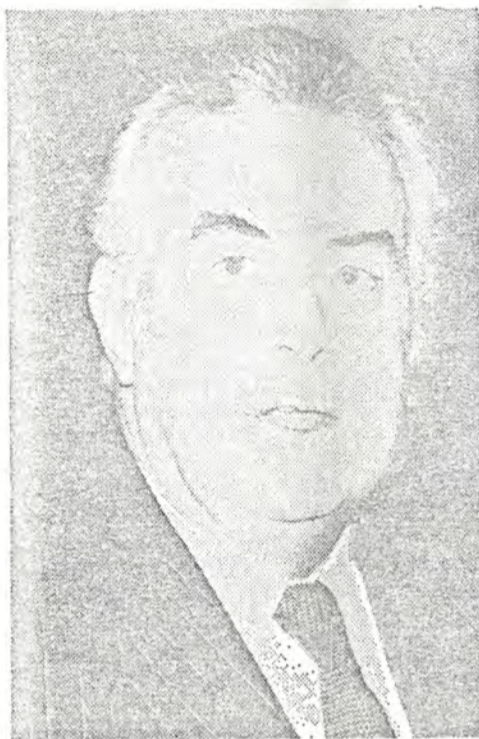
The basic calculation that Mr Fraser must make is first whether the Prime Minister is serious, and second, if he is, whether the period of certainty and confusion will be blamed on a Prime Minister who doesn't want to face the judgment of the people; or on an Opposition leader whose Senate majority brought the whole thing about.

Mr Whitlam has another set of decisions to make. The first is whether, if he allows the Government to be counted out, the initiative in determining the time and form of the election will pass from his hands to those of the Governor-General and second, if he keeps that initiative what time and form he would choose.

As to the form, he or the Governor-General has the choice of an election simply for the House, or an election simply for half the Senate, or a dissolution of both Houses. None of the alternatives is a very satisfactory resolution of the problem, since the Constitution did not envisage an electoral system which gives the Government in the House of Representatives a less than even chance of having a majority also in the Senate.

An election for the House only will preserve Labor's advantage of long-term Senators it would lose in a double dissolution, and leave open the chance of picking up on electoral dissatisfaction with a Fraser Government in a term Senate election later next year. For Mr Whitlam, those advantages would count for very little.

A half-term Senate election would not put his Government at risk, and in theory allows electors to resolve the dispute by voting so overwhelmingly for the Government that it has a majority in the chamber which rejected the Budget.



Gough Whitlam... a plan to frighten the Opposition.



Bill Hayden... probably enough money to carry on.

With our electoral system, however, the greater likelihood is that the result would leave the balance of power still with the Opposition, and resolve nothing. But an even more fundamental problem is that, whatever the result, the newly elected senators could not take their seats until well into 1976.

A double dissolution, if it is still within the Prime Minister's power to choose, risks all — and right now the overwhelming probability is that the Government will lose all — but with a long and nasty campaign, attended with constitutional uncertainties and anxiety in the electorate about the stability of Australian democracy, Mr Fraser will be thinking twice about pulling it on.

20 SEP 1975

## The Sydney Morning Herald

MOST-PART-

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## THE SENATE ... MYTHS AND MONEY

By P. H. LANE,  
Professor of Law,  
Sydney University

THE PRIME MINISTER has released tidbits on the refusal of Supply by an Upper House, and what he won't do about it . . . the aspiring Prime Ministers talk of unprecedented courses and threaten to put the Senate in its place . . . the Liberal Party's conscience preaches the wickedness of it all.

What is the Senate's role in money matters? What should a government do when its Supply is cut off by the Senate?

A little research into history first, if only to straighten the official line. This version discloses that the Victorian Legislative Council — the Upper House there, as the Senate is in the Federal Parliament — refused Supply in 1947. Actually, between October 1 and October 8, the Legislative Council knocked back three Supply Bills. Then Labor Premier Cain secured a dissolution of the Assembly.

But that's not the latest occasion. The official version overlooked the 1952 incident.

In October of that year, the Labor leader in the Victorian Legislative Council moved the rejection of the Supply Bill. Then Premier McDonald's Country Party asked for a dissolution. Sir Dallas Brooks, the Governor, tried an alternative ministry first. However, after a no-confidence vote, Sir Dallas



Governor Bowen . . . pressured by his ministers.

*"A Senate, which correctly interprets the mood of the electorate, has a quite remarkable annual opportunity — by refusing to join in the grant of Supply — to bring about the dissolution of the House of Representatives and the resignation of the Government".*

Odgers, Australian Senate Practice.

granted a dissolution of the Assembly.

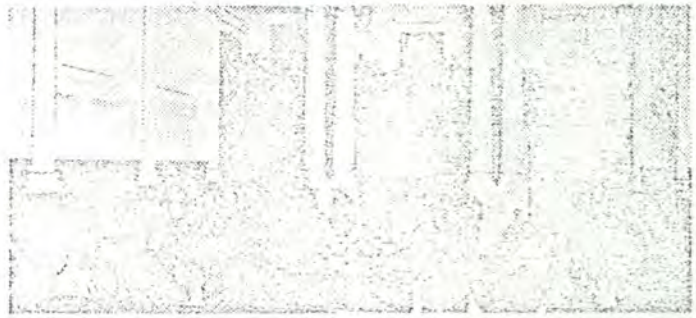
Yet, even more significant in underlining the Senate's powers over Supply, is what happened "before" the Constitution was enacted, and even what happened just after this enactment in 1900. It makes good sense to read a document with the mind of those who drafted it.

The Victorian elective Upper House formed its habits early.

In 1865 this Legislative Council threw out an Appropriation Bill. Thereupon the Premier raised money — illegally as the Supreme Court later pronounced — without the co-operation of the council. Had he not this course in mind, the Premier would have sought a dissolution of the Assembly, for this was the move he made when the council next defeated his Tariff Bill.

Twelve years later the same tempestuous House rejected the Appropriation Bill. The council claimed that the Government should yield, resign or dissolve. Governor

# When the Upper House says 'NO'

MOST-APP  
Ref. C.C.

The Federal Convention of 1897-98 prepared the instrument that became the Constitution.

Bowen retorted that there was no point in dissolving. True enough, because the Government had secured a handsome majority in the elections only eight months previous and the electorate still seemed favourable to the Government.

The South Australian Upper House refused the Appropriation Bill in 1911. The Government advised a dissolution. It got it — in more ways than one.

And all around this time, from the 1860s to the 1910s, two other elective Upper Houses in Tasmania and Western Australia insisted on their rights to reject appropriation bills, or to kill an occasional land tax bill or income tax bill.

These things occupied the minds of the founding fathers when they drafted the Constitution. The issue in their debates on the Senate's power over money bills was not whether the Senate could reject money bills in toto: that was conceded.

The issue was whether the Senate should be allowed to reject money bills in part;

that is amend money bills. That was not conceded.

Hence the Founding Fathers enshrined in the Constitution a provision which explicitly states that, save for amending or originating money bills:

*"the Senate shall have equal power with the House of Representatives in respect of all proposed laws."*

So Quick and Garran, hoary constitutionalists of 1901, declaimed that the Senate's right of veto is as unqualified as its right of assent. So Crisp wrote: "Constitutionally, the Senate could refuse Supply" (in Australian National Government). So agreed Edwards and Odgers, both Clerks of the Senate. So Gorton admitted in 1953 and McMahon in 1974.

So Senator Murphy conceded as he threw down the gauntlet on the memorable night of April 10, 1974.

If his gag motion on the Appropriation Bills was lost in the Senate, his Government would treat this "as a denial of Supply," then his Prime Minister would "tender certain advice to the Governor-General."

RIT

There was no doubt that the Government's chief legal adviser, whom it prized highly enough to put on the High Court, thought that the Senate could refuse Supply.

Now you begin to see that those who float the myth of the Senate's incompetence to refuse Supply are — floating myths.

Remember, too, it was the people that voted in the Senate on May 18 last year, just as much as it was the people that voted in the House of Representatives. Consequently, "the Commons grant, the Lords assent" simply does not apply.

For the same reason — that the Senate is a popular House — there is no impropriety in the Senate refusing Supply. More myths let loose these days.

So much for the Senate's role in money bills. But what should a government do when its Supply is cut off by the Senate?

Practice at the turn of the century, as we saw, suggests that a Prime Minister will ask for a dissolution or resign. Practice since then suggests the same.

Writers — for example, Harrison Moore and Odgers — state as fact or practice that a Prime Minister will seek a dissolution or resign when his Parliament refuses Supply.

*"A check upon the Ministry and the Lower House lies in the fact that the Upper House might in an extreme case refuse to pass the Appropriation Bill, and thereby force a dissolution or a change of ministry. These are the conditions recognised by the (Commonwealth) Constitution."*

So writes Harrison Moore, an outstanding constitutional law scholar.

Odgers' comment stands above; and Crisp repeats it.

"People never used to think it (the refusal of Supply by an Upper House) could happen, so it has never been discussed," runs the official line — more myths.

One may regard the practice and the writers as evidencing "the customary usages of Australian Government" to cite the former Governor-General's criterion for legitimate government. And in these customary usages one would find a duty on a Prime Minister to dissolve when the Senate refuses Supply.

But, suppose a Prime Minister sees no duty in the practice and the writings: what then?

A fundamental in our parliamentary system is Parliament's control of public money, its raising and its expenditure. The seventeenth century Bill of Rights and our own Constitution grant this supremacy to the Parliament over the government.

If a Prime Minister continues to run the country when the Senate refuses Supply, he will be in danger of breaking these constitutional provisions.

The other expedient — dismissal of public servants — is hardly open to a Prime Minister. This is just what the Berry Ministry did during



The then Senator Murphy  
... threw down the gauntlet.

the Victorian money-bill crises of 1877-1878. It brought a disapproving letter on constitutional principles from the Colonial secretary to Governor Bowen who had been pressured by his ministers.

At bottom, it is the extreme likelihood of this illegality, either from constitutional provisions or principles, that must move a Prime Minister to a dissolution when the Senate refuses him Supply.

All that I have written concerns the constitutionality and the propriety of the Senate refusing Supply, and "the customary usages of Australian Government" in such an exigency.

All of this has merely scattered the myths to expose the real issue — the conflict between acceptance of a stable three-year parliamentary term and the Peel-Russell-Gladstone "great question of public policy" that cries for a mid-term dissolution.

That's the question for the people's Senate to decide, interpreting the mood of the electorate. For, in the last analysis, the Senate's refusal of Supply means giving the people a chance to say what they want.

## The Sydney Morning Herald

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G. E.



From PETER BOWERS,  
our political correspondent  
in Canberra

MR WHITLAM got nothing from the ACTU Congress meeting in Melbourne this week which is all he really wanted.

A head on clash between the industrial and political wings of the Labor movement over wage restraint might well have provided the flash point Mr Fraser needs to meet his own guideline of "extraordinary circumstances" or "unforeseen and reprehensible circumstances".

Instead, it was the quietest congress in years. The Socialist Left, content with strengthening its control of the ACTU executive, for once went quietly.

The reception Mr Whitlam received on Thursday when he addressed the 700 delegates reflected the disenchantment of the union movement at large with the Labor Government.

There was the traditional standing ovation before and after his speech, but there was little enthusiasm for his defence of the Government's program and achievement.

Mr Whitlam was ap-

# The scenario for Whitlam leadership a showdown on the Canberra trail

plauded only once — when he referred to Medibank.

He tried, with little success, to put the fear of Fraser into the congress by presenting him as a reactionary ogre who would use harsh penal clauses to control the unions and impose unfair wage restraint.

"It would be the workers of Australia who would be caught with their pants down if the Prefect got his way," snarled Mr Whitlam, who never misses a chance these days to call Mr Fraser nasty, reactionary names like the Squire, the Gentleman Friend and the Prefect.

His jibe drew little response from an audience which should have needed little encouragement to jeer at Mr Fraser. Could it be that many union delegates saw Mr Whitlam in much the same elitist terms as he saw Mr Fraser?

Still, it has been a good week for Mr Whitlam and the Government. Mr Fraser's public and private campaign to find an issue to justify the Opposition blocking the Budget estimates next month, has badly misfired.

It is the opposition, not the Government that is beginning to crack under the pressure.

The first break in Opposition ranks came at the weekend when South Australian Liberal Senator Jessop pub-

licly stated that the Budget should be allowed to pass the Senate.

In seeking subsequently to qualify the statement with the claim that he was applying Mr Fraser's own guidelines, merely served further to undermine Mr Fraser's position.

Mr Fraser needs nothing less than a totally and fiercely united Opposition if he is to attempt to force Mr Whitlam to the polls.

Mr Fraser's advisers insist that he has an open mind on the question and will wait until the last moment to take a decision. With the estimates due to reach the Senate by the second week in October, Mr Fraser has no more than three weeks to make up his mind.

Mr Fraser may be undecided, but not so Mr Whitlam, according to the Prime Minister's advisers.

Mr Whitlam, his advisers say, has decided that he has no practical alternative to sitting it out if Supply is blocked.

His argument is that the Government has nothing to lose by literally going for broke. If he were to agree to an election for the House of Representatives or a double dissolution of both Houses, the Government would be annihilated, losing possibly 20 or more seats.

Here is the constitutional scenario Mr Whitlam's

advisers are scripting of events that would follow the denial of Supply . . .

With Mr Whitlam refusing to call an election, the Governor-General, Sir John Kerr would assume a crucial role.

Mr Whitlam, the script goes, would advise Sir John that he had no intention of surrendering his commission so that an election could be held.

Sir John accepts Mr Whitlam's advice that the blocking of Supply is unjustified and summons Mr Fraser.

Sir John asks Mr Fraser if he can form a Government to which Mr Fraser replies that he lacks the necessary majority in the House of Representatives.

Sir John then advises Mr Fraser to allow Supply to pass.

Mr Whitlam cannot see Mr Fraser defying the moral right of the Crown.

It would be a breathtaking gamble of Whitlamesque proportion but anyone who thinks Mr Whitlam is bluffing, does not know the man.

He has lived dangerously all his political life.

His political philosophy is to call a spade a Bible-bashing bastard and to hell with the consequences.

He is being pushed into a corner by Mr Fraser. Whitlam at bay is a very dangerous stag.



Handwritten: *Approp. + Expand.*

The Australian SYDNEY

18 SEP 1975

Can the Governor General keep up the money supply?

Handwritten: *a - Approp. + Expand.*

# Advise and dissent

GRAHAM WILLIAMS examines

a potential constitutional crisis.

THE Governor-General, Sir John Kerr, may play a key role in the constitutional crisis that will erupt if the Opposition blocks the Budget in the Senate.

A beleaguered Government is now examining all means of stalling an election if it is denied the money needed to run the country — and in each possible scenario, the silver-haired Governor-General is a major figure.

One possible scenario, floated by the Minister for Manufacturing Industry, Mr Bowen, goes his way:

The Liberal-CP Opposition rejects the Budget in the Senate.

Gough Whitlam and his ministers then tender advice to Sir John that he should assent to the appropriation bill.

Professor Geoffrey Sawer, Australia's leading constitutional law authority, said yesterday that it was possible for the Government's legal advisers to draw up a tenable legal argument to back the case, though he himself doubted this.

"This argument would presumably emphasise the special function of the House of Representatives in money bills," he said.

It would stress that the Senate has no power to originate proposed money laws and no power to amend such laws — and the clear intent of the Constitution is to give such powers only to the Lower House.

Sir John, as virtually chief administrative officer, who relies heavily on the advice of his ministers, then has to decide if he will accept or reject his ministers' advice.

and gives assent to the bill, then the Opposition immediately takes out a High Court writ asking the High Court to declare the appropriation act invalid.

"The case would come before the High Court, as a matter of the utmost priority," said Professor Sawer, specialising in Constitutional Law at the Australian National University.

"I cannot envisage that the High Court would rule the act is valid. In my view, the very plain meaning of Section 53 is that the Senate does have the power to reject any bill, and this includes money bills."

Other constitutional lawyers agree with him. Mr Gareth Evans, senior lecturer in law at Melbourne University, said:

"The fathers of the Constitution left the loophole there, for the Senate to reject a money bill, but they did so in the belief that no party would have the temerity or the constitutional indecency to take advantage of it."

Thus, even if Sir John could be persuaded to assent to the act, its overthrow by the High Court would bring the situation back to square one within a few days.

This, then, does not appear to be a profitable course of action for the Government to pursue.

But here is another possible scenario, based on the assumption that Gough will try to "tough it out" if the Budget is rejected:

When the Senate rejects the Budget, Mr Whitlam goes to Sir John and explains the gravity of the situation. However, he says that he is not handing in his commission.

He instead asks Sir John to

bring pressure to bear on the obdurate Upper House to pass the vital legislation so that the Government and the country can continue to function.

According to this scenario, the money begins to dry up and the Government finds it cannot pay public servants or pensioners within a few weeks.

Before this happens, Sir John goes to the Leader of the Opposition, Mr Fraser, and asks him to form a Government.

But Mr Fraser, lacking a majority in the Lower House, is unable to form a government.

If this happens, the Governor-General, as guardian of the Constitution, has the choice of either exerting very strong pressure on the Opposition to retreat and pass the Budget, or to dissolve the Lower House himself.

According to this scenario, the public backlash against the Liberal-CP Opposition would be so great that the Opposition would probably split and the Budget would pass.

How plausible is such a scenario?

Quite plausible, it seems, until it comes to the point of Sir John asking Mr Fraser to form a government and advise him.

Prof Sawer says: "Mr Fraser could form a government simply for the purpose of advising the Governor-General to dissolve the Lower House and call an election."

The Governor-General would be searching for a way to end the deadlock and get out of the impasse.

But it would be much better from Mr Whitlam's viewpoint if he himself called a

double dissolution, he said. "That way Mr Whitlam would have the chance of gaining control of both Houses."

The preconditions for the double dissolution are there. Some 20 bills have been rejected three times by the Senate.

But Mr Whitlam could go through several of the preliminary moves sketched out in the scenarios above before calling a double dissolution.

This would be designed to concentrate as much public attention and odium as possible on the Opposition for withholding approval of the Budget.

One of his possible ploys is to keep on sending the Budget back to the Upper House for approval every time it is rejected.

Sir John, the brilliant QC and former judge, is likely to be put in the very tough spot of deciding key constitutional issues if the Government is trapped in a corner by a hostile Senate.

Sir John Kerr is a big man. A formidable intellect. A generous personality. In the looming constitutional impasse, he will need all these qualities in large measure.

He, more than anyone else, may become the man of the moment.

17 SEP 1975

Newspaper cutting from

**The Age**

*Appropriations and expenditure*

Danger in using  
*A Part*  
the Senate

to reject the  
Budget to force  
an election *A*



Library

BEFORE we start talking about an early election as though it were a foregone conclusion, we would do well to consider the constitutional consequences.

For whatever the political attractions of an early change of Government — and they remain debatable except for propagandists and partisans — there are constitutional consequences which must inevitably follow an election forced by a Senate rejection of the Budget.

The Senate's powers in relation to money bills are set out in Section 53 of the Constitution. This section lays down five basic constitutional propositions.

First, it withholds from the Senate the right to initiate laws "appropriating revenue or moneys or imposing taxation".

Second, it denies the Senate the power to "amend proposed laws imposing taxation, or proposed laws appropriating revenue or moneys for the ordinary services of the Government".

Third, it restrains the Senate from amending any proposed law "so as to increase any proposed charge or burden on the people".

Fourth — and this is the crucial paragraph in the present dispute — "The Senate may return at any stage to the House of Representatives any proposed law which the Senate may not amend, requesting, by message, the omission or amendment of any items or provisions therein. And the House of Representatives may, if it thinks fit, make any such omissions or amendments, with or without modifications".

Finally, Section 53 states: "Except as provided in this section, the Senate shall have equal power with the House of Representatives in respect of all proposed laws".

This is the section of the Constitution which the Opposition in the Senate will invoke (obviously with Mr. Fraser's approval and blessing) if it finally decides to reject the Supply Bill incorporated in the present Budget.

It is, some may feel, a strange constitutional provision if it is to be read as allowing the Senate to reject a bill which it may not originate and may not amend.

And the argument that the Senate can use its right to "request" omissions or amendments to money bills to force an election on a Government which still commands a majority in the House of Representatives is so at odds with the other paragraphs of the section that it seems a constitutional affront.

This "right", which Opposition senators are now claiming vociferously, has never been exercised. If it is exercised now it will create a precedent so extraordinary as to change the nature of the constitutional system.

The controversial paragraph setting out the Senate's right to "request" amendments to money bills was inserted in the Consti-

tution after a fierce controversy during the constitutional conventions of the 1890s.

The precedent for it was to be found in the colonial constitutions of South Australia and Western Australia. And those who urged its inclusion in the Federal Constitution did so on the ground that the formula had created the conditions for effective compromise between Upper and Lower Houses in those colonial legislatures.

But not even its most vehement advocates suggested, as far as I am aware, that the "request" clause in Section 53 should be inserted in the Constitution so that the Senate should have the power to force a general election on the Government of the day.

Even Sir Samuel Griffith, a staunch advocate of States' rights in an era when they still meant something, observed: "A strong Senate will compel attention to its suggestions; a weak one will not insist on its amendments."

And only the most brazen of advocate of senatorial rights would claim that a Senate Opposition which depends for its majority on the vote of a "bogus" Government senator, foisted on the Parliament in defiance of the prevailing and generally accepted conventions, could consider itself to be "strong".

The inadequacy — the incongruity — of Section 53 is revealed in the fact that the Constitution makes no provision for what should happen if a "suggestion" from the Senate is not accepted by the House of Representatives.

It is this omission which has allowed the Prime Minister (Mr. Whitlam) to claim that he would not feel obliged to call an election if the Senate did reject, or failed to pass, a current Supply Bill.

For the Leader of the Opposition in the Senate (Senator Withers) to claim, as he did in a speech this week to the Fremantle division of the Liberal Party, that the Senate has as much right as the Prime Minister to call an election is constitutionally preposterous.

Certainly that right is nowhere to be found in the crucial Section 53.

If Mr. Fraser does encourage or permit his senatorial stormtroopers to force an early election by invoking Section 53 he will create a precedent which will cause the greatest instability in future Australian politics.

He will also call into question the future role and composition of the Senate itself.

If the Senate Opposition seriously maintains that Section 53 gives it the right to force an election because it has the dubious numbers, no future Government can hope to govern this country unless it has control of both Houses.

Once that lesson sinks in I believe that even a Liberal and National Country Party Government will realise that it is essential to change the electoral law for the Senate.

The Senate is presently elected on the basis of equal representation for the States. Theoretically, the smaller States could use the Senate's improperly acquired power to force an early election to blackmail any future Government into giving them a bigger cut of national revenue.

The Senate is presently elected by proportional representation, which tends to produce narrow majorities for one or other of the major parties, "hung" Senates or Upper Houses in which Independents or minority parties hold the balance.

That is a condition which any future Liberal and National Country Party Government would rightly fear if the present situation were reversed and a Labor Senate Opposition could quote a "respectable" Liberal precedent to force an early election.

And as presently elected, the Senate contains ghost majorities which do not correspond with the preferences declared in the most recent election for the House of Representatives.

Moreover, there is no certainty that elections for half the Senate will coincide with House of Representative elections.

If the present Senate Opposition does reject the Budget and seeks to assert new and disruptive rights for the Senate itself, it would seem inevitable that some future Government will seek a constitutional change which would bring Senate elections into line with elections for the House of Representatives and make the Senate a more representative legislature.

That would mean the end of proportional representation as a method of electing senators. It would also mean the end of the Senate's curious claim that it is still, in some realistic sense, a States' House.  
It might even be a future Liberal and National Country Party Government that felt compelled to make that radical reform.  
— Creighton Burns

Playing fast with a loose Constitution

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## Blind man's bluff

Mr. Whitlam's warning that he might not call a general election if the Federal Budget is rejected in the Senate has introduced an entirely new element into the game of electoral bluff being played between the Government and the Opposition. To the uncertainty as to if and when Mr. Fraser will attempt to force an election must now be added uncertainty as to the nature of Mr. Whitlam's reaction to such an attempt. Those Opposition MPs who have been behaving as if the only thing unresolved was whether the election would be forced before or after Christmas will now have to think again.

What Mr. Whitlam has done is meet one threat to break with Parliamentary tradition with another. He is telling the Opposition, in effect, that if it goes ahead and blocks Supply he is prepared to sit back and allow the government of the country to grind to a halt, in the expectation that the electorate will hold the Opposition responsible for the ensuing chaos. It is an indication of the seriousness with which the Prime Minister views his Government's position that he is even prepared to consider such drastic action.

For all that, however, the Whitlam threat is a clever political ploy. It has lobbed the election ball squarely back into Mr. Fraser's court and made it clear to the electorate that, while he might be down, Mr. Whitlam is far from out. For

his part Mr. Fraser must now realise that he risks losing many votes if he forces an election. At the same time if he opposes an election it will now appear as if he has bowed to the threat from the Prime Minister.

Indeed, Mr. Fraser's position remains the most intriguing aspect of the whole situation. Throughout all the discussion about the possibilities of an early election the Leader of the Opposition has remained aloof and enigmatic. It does not require much political nous to appreciate that he is following the politicians' old practice of keeping one's options open. However, recently, and over the past week in particular, Mr. Fraser has appeared to be trying to foster an atmosphere in which the "exceptional circumstances" which he has said would justify an election could be said to exist. This applies in particular to his call on Friday to opponents of the Government to "speak out" and "get off the fence."

It can only be hoped that this is not the case. The exceptional circumstances that would justify an election do not exist in Australia yet. There is absolutely no cause for putting the country through the trauma threatened by Mr. Whitlam if the Opposition rejects the Budget. In short, the continuing uncertainty over the possibility of an election is damaging the country and the sooner it is ended the better.



BALMORAL CASTLE

PERSONAL

10th September, 1975.

*My dear Governor General*

Many thanks for your letter of 4th September about the latest developments in the Bougainville "independence" situation. The Queen has read your letter with much interest.

The intervention by Bishop Singkai must have been most unwelcome but it is reassuring that his support for Bougainville's independence from Papua New Guinea has been repudiated by the Church in Papua New Guinea as a whole. We must hope that Doctor Sarei's and Mr. Hannett's declaration will prove ultimately to have been a "non-event."

I am sure you are right in your estimation that there will have to be some delicate psychological and political judgements made by Mr. Somare and his colleagues during the next few weeks and months.

The immediate hope, of course, must be that this business does not mar the celebrations on 16th September. It will be of particular interest to The Queen to hear from you after your visit to Port Moresby how you think matters will develop.

*Yours sincerely*

*Martin Charteris*

His Excellency the Governor-General  
of Australia.



BALMORAL CASTLE

PERSONAL

7th September, 1975.

*My dear Governor General*

Thank you very much for your letter of 29th August which has been seen by The Queen and read by Her Majesty with much interest.

I had not myself appreciated the similarities in the economic situation in Australia to those at present obtaining in Britain, even to the extent that you, too, have a "social contract."! I can only hope that yours will prove more effective than ours has.

The possibility of having both wage indexation and tax indexation seems to me remote as it must lead to the Government in power cutting its expenditure and causing unemployment, which is something Governments find extremely difficult to do.

I note that you expect the next election to come towards the first half of 1976 and it is indeed good news that there seems no likelihood of an election this year interfering with your proposed visits to Canada, London, and some European countries. At the beginning of my holiday I spent a couple of days in Ottawa and found the Governor-General much improved in health and looking forward very much to your visit. I know that you and Lady Kerr will find the Légers a charming couple and they will make you very comfortable in Government House. I need hardly say that we are much looking forward here to seeing you in London.

Thank you for sending me the two copies of the Australian Foreign Affairs record which I have read with much interest. I will see that Prince Charles has an opportunity of reading about the emerging foreign policy of Papua New Guinea. I have, of course, written separately to you in answer to your various letters about Papua New Guinea and I hope everything goes smoothly over this business. The Prince of Wales who is here at Balmoral is much looking forward to his visit.

*Yours very sincerely*

*Markus Lantieri*

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His Excellency the Governor-General  
of Australia.



BALMORAL CASTLE

5th September, 1975

*My dear Governor General*

Thank you very much for your personal and confidential letter of 28th August.

I have written to you separately on The Queen's instructions replying to your letter to Her Majesty and enclosing a reply also written on The Queen's commands to Mr. Somare's letter to Her Majesty of 15th August.

As you will see from the reply to Mr. Somare's letter, The Queen instructed me to say that she was pleased and honoured to accede to the request of the National Constituent Assembly that she should become Queen and Head of State of Papua New Guinea when that country attains Independence on 16th September 1975. Her Majesty also commanded me to say that she approved the appointment of Sir John Guise as Governor-General of Papua New Guinea.

In accepting the Crown of Papua New Guinea and approving the appointment of Sir John Guise, Her Majesty has, as is constitutionally proper, acted on the advice of her Australian Ministers as contained in Mr. Whitlam's letter to you of 26th August 1975 which you forwarded with your letter. As has been agreed, no mention of this advice has been made in the letters which I have written to you and to Mr. Somare, on The Queen's commands, in response to your and his letters to Her Majesty.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General of Australia.

Government House,  
Canberra. 2600.

12 September 1975.

*My dear Private Secretary,*

We shall be leaving at the weekend for Papua New Guinea and this is the last opportunity for a while for me to let you have an assessment of the political situation. There are some unresolved questions that could perhaps have best been dealt with by waiting for a further short period but I shall be away and this can be an interim account.

In a nutshell, the position is that Mr Fraser has set out to establish a different style and image for himself from that of his predecessor Mr Snedden. He sought to leave the impression that he was in a statesman like way, accepting the view that the Labor Party had won the last election and was entitled to govern for three years. Instead of keeping the country in a state of permanent political instability by the constant threat of forcing an election upon the Government by denial of supply he indicated, though he did it with qualifications, that in the normal course the Government would not be denied supply. This would not happen unless some extraordinary and reprehensible circumstances emerged.

For a time, the assumption was made that the Leader of the Opposition really meant what he said and that he was in a strong enough position to hold off pressures to act differently. It was always believed, of course, that by next May unemployment and inflation might be worse and that the political situation could by then force a denial of supply and an election.

This impression of a temporary truce was reinforced by the Government's Budget which seemed to be a reasonable attempt to control inflation by significantly decreasing public expenditure and in the other ways mentioned in my previous letter. Mr Fraser in his speech on the Budget said that at the stage when he made it and in the state of knowledge which he then had, his attitude was that the Opposition should not defeat the Budget in the Senate.

However, since then, the Gallup Polls have indicated the very low state of popularity both of the Prime Minister and the Government and the pressure on Mr Fraser to have the Budget defeated in the Senate is

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enormous. The argument to the contrary which he appeared originally to accept was that there is a convention to the effect that the Budget should be solely the responsibility of the Government which has a majority in the House of Representatives and the Senate should allow it to pass.

As I travel around the country and hear various views and opinions expressed and also from reading the press and from other sources of information, I have come to the conclusion that Mr Fraser is really being driven to find an excuse to deny supply and defeat the Budget. There are very strong indications of a near unanimity of opinion amongst the Opposition Coalition Members and their important supporters that the Government should be brought down.

I feel reasonably sure that the Prime Minister believes that if there is to be an election at this stage the loss for his party would be devastating and the Opposition would gain control of both Houses. In this situation he is not in the mood, to coin a phrase, "to go quietly".

The Press this morning carried a story to the effect that he was going "to tough it out". By this it is meant to say simply that only the House has the political right to decide about the Budget. If the Senate refuses to pass it, the theory is that the Prime Minister will not accept that as a ground for coming to me for a dissolution of the House of Representatives or indeed for a double dissolution. He will simply say that the responsibility for funds running out must be borne by the Opposition. He will send the Budget back to the Senate and if necessary will do so again and force them to reject it more than once. Then there will be a battle in the country about who is responsible for the ensuing mess - failure to meet obligations, pay public servants, the Defence Forces and so on.

This morning I had here in the House a delegation of Canadian parliamentarians and they were all openly saying that the Prime Minister had quite clearly enunciated this strategy in a speech he made to them yesterday.

A number of important constitutional questions could arise if the kind of crisis which is envisaged were to develop. The "Financial Review" sent a letter to my Official Secretary today setting out a number of specific questions as to what I thought to be my constitutional role in relation to a number of matters. I shall not, of course, answer any such question, leaving it to events to determine what I do.

I am also keeping my mind open as to the constitutional issues. If the Prime Minister and the Leader of the Opposition get into a battle in which the Senate has

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defeated the Budget, the Prime Minister refuses to recommend a dissolution, my role will need some careful thought though, of course, the classic constitutional convention will presumably govern the matter.

As with all great political issues, one has to consider the question whether what is going on is merely a matter of psychological warfare. It could well be that the Prime Minister is making it easier for Mr Fraser to resist those putting pressure on him or, alternatively, if he wishes to go with them and force an election, harder for him to do so.

The Prime Minister may think that the Leader of the Opposition will shrink from this and he will thus be able to buy time, at least until next May.

I am sorry I leave the country for Papua New Guinea at a time when it is not really possible to assess how much of what I have already written is truly a description of a political crisis of great magnitude. It could be, as I have said, brinkmanship and psychological war.

My wife and I look forward to meeting His Royal Highness in Papua New Guinea and if no great crisis prevents it, to seeing you in London.

Please pass on our sentiments of humble loyalty and duty to Her Majesty.

Yours sincerely,

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

Government House,  
Canberra. 2600.

4 September 1975.

*My dear Private Secretary,*

Some further background observations about the Bougainville position in Papua New Guinea may be of some interest.

The 1st September passed without any violence and without any strike at the copper mine. Business proceeds on the Island. A press conference was given by Dr Sarei and Mr Leo Hannett in Arawa, Bougainville, on August 31st. Perhaps the best way of summarising what was said is by attaching two copies of newspaper reports which may not otherwise come to your hands, one from "The Melbourne Age" and one from "The Sydney Morning Herald", each dated September 1st.

In effect, Dr Sarei and Mr Hannett have declared that there is a Republic of North Solomons with Dr Sarei as the leader of the Government. He is stated to be Chairman of the Republic.

There has been little reaction from Port Moresby and much was made of the public relations point that whilst the press conference was going on the Chief Minister Mr Somare was touring and playing golf.

The position of the Catholic Church in relation to the political developments on Bougainville has been interesting and important. It should be noted that several of the leaders of the secessionist movement and of what was earlier known as the Provisional Provincial Government of the Bougainville District are ex seminarians.

Dr Sarei, who was the District Commissioner when I was in Bougainville on my recent visit, is a former priest who was released from his vows and who married a former nun who was also released from her vows. She is an American. As far as I know, their departure from the church had nothing to do with their personal relations which developed later, culminating in marriage. Both remain, I believe, practising catholics.

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Mr Leo Hannett is a former seminarian and Father Momis, one of the members of the Papua New Guinea Assembly from Bougainville, is a Catholic priest. He has resigned his membership of the House of Assembly. Dr Sarei has resigned from the Papua New Guinea Public Service.

The most important development which has taken place since the so called "secession" has been a declaration of support for secession made with great deliberation and care by the Roman Catholic Bishop of Bougainville, The Most Reverend Gregory Singkai. He is an indigenous Bishop of the Catholic Church which is very strong in Bougainville. It is said that the great majority of people are Catholics.

Bishop Singkai's statement was made not simply as the expression of a personal opinion, but was put forward by him as the official position of the Church by its ecclesiastical superior on the Island. There can be no doubt that it greatly strengthens the stand taken by the leaders of the secessionist movement and it will probably embarrass the Papua New Guinea Government. The Catholic Church is probably the most influential body on Bougainville.

As far as I can gather, the Bishop made his statement without consulting his fellow bishops in Papua New Guinea who are more experienced than he. He became a bishop fairly recently.

It could be that his step will cause a division within the Catholic Church in Papua New Guinea as a whole. Probably little will happen between now and September 16th when the independence of the Country is established, but thereafter a series of delicate psychological and political judgments will have to be made by the Papua New Guinea Government.

The attitude of the mining Company does not seem to have publicly changed. The leaders in Bougainville have said they would offer the company better terms than the Government of Papua New Guinea had given it. Dr Sarei has said he believes that the Government of Papua New Guinea is squeezing the Company. Incidentally, the parent company of Bougainville Copper Ltd. is a United Kingdom Company with headquarters in London. Ultimate company policy on the Bougainville issue would probably be settled there though I do not know how relations are managed on policy issues between London and the Australian subsidiaries.

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The main purpose of this letter is to bring you up to date as far as this can be achieved by a summary account of events to date. When we are all in Port Moresby we shall get a better picture of how the Chief Minister and the Papua New Guinea leaders are thinking.

Please assure Her Majesty of my loyalty and humble duty.

Yours sincerely,

JOHN R. KERR

P.S. 5 September 1975.

This morning's press announces that the Roman Catholic Church in Papua New Guinea dissociated itself yesterday from Bishop Singkai's statement after the Chief Minister warned that his Government might have to reconsider the position of the Church in the country. The Chief Minister called the Bishop's statement "treason". The Church in Papua New Guinea announced it was fully and completely in support of the Papua New Guinea Government.

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

# Rebel Isle goes it alone today

From PATRICK BOYCE

KIETA. — The \$400 million Bougainville Copper Ltd. mine has become a key issue in the Bougainville provincial government's bid to establish independence from Papua New Guinea.

Members of the provincial government will today declare themselves the Government of the Republic of North Solomons.

They made it clear yesterday that the mine would be their main weapon in trying to force Papua New Guinea to provide multi-million dollar assistance for their new state.

The provincial government spokesman, Mr. Leo Hannett, and the chairman, Dr. Alexis Sarei, said if necessary they would close down the mine to enforce economic recognition of their government by Papua New Guinea and Australia.

Mr. Hannett said the provincial government had asked Papua New Guinea for \$50 million to finance independence.

## Share of aid

He said it was just that Bougainville, as a former part of Papua New Guinea, should get some benefit from aid provided by Australia.

"In so far as we have been under Australian administration here, it is Australia's responsibility to see we have a suitable government. We feel it is just we should get some portion of the money paid in aid to Papua New Guinea," he said.

"This money need not come from Port Moresby. The central government should allow it to be paid from Bougainville Copper Ltd. taxes.

"We recognise Papua New Guinea is very dependent on Bougainville, and we are prepared to discuss an economic formula which would allow them to continue to meet their overseas loan commitment.

"If the Somare Government does not accept this, we will take a tougher line — like stopping the goose

laying the golden egg."

Mr. Hannett said that after the island declared itself independent today, Bougainville Copper Ltd., under threat of closure, would be expected to give its allegiance to Bougainville.

"They owe their allegiance to us. They can't take copper from Bougainville and pay taxes to Papua New Guinea," he said.

"If the company refuses — Bougainville Copper is in Bougainville — we will close the damn mine.

A Bougainville Copper spokesman said that as far as the company was concerned, Bougainville was still part of the legally constituted country of Papua New Guinea.

"We have a legal agreement with them. We have a legal obligation and will obey the laws of the country," he said.

When the cobalt-blue flag of the breakaway "State" is unfurled for the first time in a market place here this morning, the Chief Minister (Mr. Somare) will be playing golf in the Highlands.

Bougainvilleans will celebrate wholeheartedly no doubt, but whatever might be the air of imminent independence — rebel at that — it is certainly not to be experienced on Bougainville at the moment.

The presence of security and intelligence men, Australian and PNG Government "observers" and journalists, has been the only indication that anything is about to happen.

# Bougainville to hoist 'freedom' flag

From PATRICK BOYCE,  
Staff Correspondent

## But Somare will be playing golf

KIETA (Bougainville), Sunday. — When the blue flag of the Papua New Guinean breakaway "State" of North Solomons — Bougainville Island — is unfurled for the first time in a marketplace here tomorrow, the Chief Minister Mr Somare, will be playing golf.

And for many people, even on Bougainville, life will go on as usual.

Bougainvilleans will celebrate wholeheartedly, no doubt, but whatever may be the air of imminent independence, it is certainly not to be experienced on Bougainville at the moment.

The presence of security and intelligence men, Australian and Papua New Guinea Government "observers" and journalists has been the only indication that anything is about to happen.

Mr Somare said last week that, as far as he was concerned, the day of Bougainville's independence declaration would come and go like any other.

Being a keen golfer, and as if to prove his point, he set out yesterday on a tour of the Morobe, Sepik and highland districts to promote golf as a national sport.

But for thousands of Bougainvilleans, probably not the majority, today will be symbolic — a declaration that, politically at least, they regard themselves as independent.

Leaders of the Bougainville Provincial Government expect about 5,000 people to take part in church services, the flag-raising ceremony and sing-sings, beginning at 8 am in Keta and Arawa, the Bougainville district headquarters.

Non-Bougainvilleans, black and white, are generally furious, some are uncertain, and most regard the event as something "B'long the Bougainvilleans."

Some long-term residents are fully behind the Provincial Government, its chairman, Dr Alexis Sarei, and spokesman, Mr Leo Hannett, in forcing the independence bid.

Mr Somare, determined to play down the issue, has ordered all Government agencies and services to continue business normally. National police will be standing by and hundreds will be on alert should trouble flare.

This seems unlikely but the slightest incident could provoke a serious clash between different ethnic groups.

As a precaution, the Government has prepared strict security plans for places such as

Bougainville copper mine, Kieta airport and shipping and communications facilities.

Civil-defence procedures have been streamlined but the Bougainville Provincial Government and the Central Government believe the day will go peacefully.

Violence is not the style of the Bougainvilleans, they say.

Mr Hannett says tomorrow will mark "the first step, where the people politically declare their non-allegiance to Papua New Guinea and declare themselves to be a separate group."

"Eventually we will take control of the whole island. It might take well over a year for independence to be really effective but I think that before long, the Central Government will be here only in the town. Our village governments will push them out."

Mr Hannett says the new Government's first priorities will be to establish its own Departments of Finance, Customs and Police, and to register companies on the island.

## Normal working day at Bougainville mine

PORT MORESBY, Sunday. — Bougainville Copper Ltd does not expect secessionist independence celebrations on the island to disrupt operations at the big Panguna mine tomorrow.

"We are going to work a normal day," a senior company spokesman, Mr

C. Newman, said today.

The company has advised all its Bougainvillean employees who wish to attend the celebrations that they can do so, but without pay.

It says it will treat the day as a "religious holiday," because it recognises that the secessionist movement has stirred up

strong feelings among many islanders.

The \$400-million Panguna mine employs 4,200 workers. About 1,000 are expatriates and, of the rest about 40 per cent — or 1,300 — are Bougainvilleans and the others are from other areas of Papua New Guinea.

(AAP)

Government House,  
Canberra. 2600.

29 August 1975.

*My dear Private Secretary,*

I should perhaps bring you up to date on the recent political situation.

The Budget, which arose from a number of compromises within the Cabinet, was reasonably well received in the country and in the Press. It kept the deficit down to about \$2,600 million by substantial cutting of Government spending and by special revenue measures including an export duty on coal and an excise duty on locally produced crude oil together with certain indirect taxes. It radically altered the Tax Law in a complicated way, and I am not sure that I understand myself. It appears to have reduced taxation more or less across-the-board and more significantly for the middle income groups.

You will appreciate that in this country, as in others, heavy inflation has the result, when wage and salary increases are made, of pushing various groups of taxpayers into higher tax brackets. This means that they pay a larger proportion of their newly established income in tax than they did of their old. If the increase has done no more than compensate them for the increased cost of living this means that in real terms, they are worse off. What has happened in fact is that income earners in all walks of life have been unwilling to tolerate this and have been demanding wage and salary increases sufficient to leave them at least as well off after tax as they had previously been and, if possible, better off.

The resulting demands for wage and salary increases have accordingly been inflationary, though there are, as we all know, many other causes of inflation derived from overseas.

In Australia, many unions appeared to be willing to help to cope with inflationary pressures by accepting a system of wage indexation which would provide for, more or less, automatic increases in actual paid (i.e. over award) wages and salaries to cope with increased cost of living, provided that the tax scale was altered so as to introduce tax indexation.

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There was accordingly, as part of the so-called social contract which the Government was trying to bring into existence, an expectation on the part of the trade union movement that in return for wage indexation, there would be tax indexation. The Budget however, did not provide for this, the reason being that the Government could not bring itself to adopt such cuts in Government expenditure as would permit tax indexation. The latter would have meant serious depletion of revenues and hence much more serious diminution of Government expenditure than the Government could tolerate politically. One of the main reasons why this course of action could not be tolerated politically was the Government's expectation that it would have a seriously adverse effect on employment. In the result, a different approach to the tax law was adopted. It gives some benefit to taxpayers, but by no means as much as tax indexation would have done.

The expected result of the Budget is that inflation will continue, though possibly not at the same rate, unemployment will rise and the economic position will probably be worse in the earlier months of next year than it is at the present time. Thereafter, the Government hopes that things will pick up, inflation will slow down, and unemployment be mitigated to some extent.

The Budget, as introduced, did not offer to the Leader of the Opposition, an opportunity to claim that it was so bad as to entitle the Opposition parties to reject it in the Senate, thus precipitating an election which would produce a double dissolution.

Mr Fraser has accordingly announced that although the Budget will be criticised by the Opposition, and he has criticised it, no election will be precipitated this year unless some unexpected and serious change occurs. He has criticised the Budget mainly on the basis that it does not sufficiently cut Government expenditure and does not reduce taxation sufficiently. The latter point applies both to individual taxation and to corporate taxation. He claims that the private sector has not been sufficiently encouraged to begin re-investment.

The Treasurer hopes that the Budget will have psychological effects encouraging to the private sector and will produce an increase of private investment. This psychological consequence of the Budget is, however, thought by many to be unlikely to occur. Indeed, there is a fairly widespread belief that the business community is not likely to re-invest in any significant way unless, and until, there is a change of Government. This is one of those imponderable economic factors about which I cannot myself make any predictions, and events will determine the matter.

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In his reply to the Budget Speech, the Leader of the Opposition has also promised full taxation indexation if the Opposition is returned to Government. People on both sides in politics seem to hold the view that it is very possible indeed that economic circumstances in the early part of next year will be such as to enable, and indeed to force Mr Fraser to deny supply in April/May, and to produce a double dissolution towards the end of the first half of next year.

I realise that all of this must sound like the re-run of an old movie to you as I recollect saying somewhat similar things in April/May this year.

One factor to be taken into account about the ability of Mr Fraser to produce an election in the first half of next year, is the position of some of his Senators who have a few years to run before retirement and who may object to go to the people in a double dissolution before retirement. Some are said to be unwilling to do this and could rebel, giving the numbers to the Government to stay in power. All of this is, however, a matter of political development within the Opposition parties which are difficult to predict.

So far as the constitutional position is concerned, it is unlikely that my visit to Canada, London, and possibly Europe will be interfered with by the development of any constitutional crisis.

The Prime Minister had expected it to be possible that an election would occur on December 5th, if supply were denied, but Mr Fraser has been leaving the impression that the Prime Minister could juggle the election date so as to avoid an election till February, even if supply were denied. This may be no more than a rationalisation for refusing to accept responsibility for running the country whilst it is still going down hill. He may prefer to take it over in the middle of next year after the economic situation has "bottomed out", if that unhappy situation is ever reached.

I am accordingly looking forward, and so is my wife, to our visit. We shall probably travel, though it is not yet settled, in our own Air Force aircraft which will give us much more convenience and comfort though there will be longer flying time involved.

I am taking the liberty of enclosing with this letter two copies of the Australian Foreign Affairs Record. These are for your own scanning as I would not wish to burden Her Majesty with them unless she is interested. In the issue for May, there is an article about my visit to South Asia. I had nothing to do with its publication

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and did not know it was to be produced until in due course, the journal passed across my desk. It will give you an indication of the way in which my overseas visits are being treated by our Foreign Affairs Department and presented to the world.

The issue for June 1975 may also be of some interest to you and you may judge it to be of some use as background briefing material for His Royal Highness The Prince of Wales. It contains an article on the emerging foreign policy of Papua New Guinea, together with a report of a speech made by the Papua New Guinea Foreign Minister Sir Maori Kiki on 6th December 1974, under the title "An Assessment Report on Foreign Policy".

I have today, sent the promised official documentation on the Papua New Guinea Constitution, together with correspondence from the Australian Prime Minister and the Papua New Guinea Chief Minister which contains the appropriate advice. I shall not write to you on this subject until after 1st September when I shall know more about events in Bougainville.

However, now that Her Majesty is in possession of the Prime Minister's official advice, anything that I say in this personal correspondence will, of course, be no more than background information.

Please assure Her Majesty of my continued loyalty and humble duty.

Yours sincerely,

JOHN R. KERR

P.S.

This morning the Prime Minister predicted no election in May next year saying that he thought that the Leader of the Opposition had, in effect, a better sense of values than his predecessors and would wait till 1977.

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



BALMORAL CASTLE

28th August, 1975

*Dear Governor General*

Many thanks for your letter on Papua New Guinea of 19th August which I found waiting for me here on my return from holiday yesterday.

I think all is clear about the procedure to be followed between now and 16th September. Quite a lot of correspondence has been needed to hammer this out but that is not surprising as the circumstances are, I believe, quite unique. I feel confident myself that the procedure now agreed satisfactorily looks after the constitutional aspects of The Queen assuming the sovereignty of Papua New Guinea. Your help in all this has been invaluable.

The possibility of trouble in Bougainville is disturbing, but the position there will probably be clearer before The Queen's Australian Ministers have to tender their formal advice. We must hope that matters can at least be satisfactorily contained.

I suppose that copper stands to the Provisional Provincial Government of Bougainville as does oil to the Scottish Nationalist Party. It gives them at least the belief that they could stand on their own feet, and the wish to do so, so that they can keep the wealth of their territory to themselves.

It is a pity that the situation has been exacerbated by the cut in Australian aid having to be made at this particular moment.

The Queen has of course seen your letter and has read it with much interest. Her Majesty sends her best wishes to you and to Lady Kerr and is much looking forward to seeing you both in November.

*Yours very sincerely*  
*Martin Charteris*

His Excellency the Governor-General of Australia.

Government House,  
Canberra. 2600.

19 August 1975.

*My dear Private Secretary,*

Papua New Guinea

I should like to bring you up to date on developments in connection with Papua New Guinea.

The constituent Assembly adopted the Constitution on 15th August, and on the same date resolved to request Her Majesty to become Queen and Head of State. It also approved that Sir John Guise become Governor-General.

In the near future, under cover of a letter to me which I shall send to you, the Chief Minister of Papua New Guinea will write to Her Majesty on the points mentioned above. A rough copy of the Constitution will be available early this week and printed copies by 28th August.

The Chief Minister's letter to Her Majesty will be held in Canberra by me until a copy of the Constitution is available. The Prime Minister of Australia will have the advantage of legal advice from the Attorney-General which will also be available to, and cleared by the Foreign Minister, and Mr Morrison, the Minister assisting on Papua New Guinea affairs. The Prime Minister will thereafter send two confidential submissions to Her Majesty recommending that she accept the office of Queen and Head of State of Papua New Guinea, attaching a copy of the Constitution. He will also recommend that she approve that Sir John Guise be Governor-General of Papua New Guinea. I shall send to Her Majesty, at the same time, the recommendations from the Australian Prime Minister and the letter from the Chief Minister of Papua New Guinea.

As I understand it, if Her Majesty accepts the advice and recommendations made to Her she will, through you, let me know that she has accepted the recommendations and advice of the Chief Minister of Papua New Guinea. His letter and your reply on Her Majesty's behalf to it will then be able to be published.

The confidential advice to Her Majesty from the Prime Minister of Australia will, on the assumptions mentioned, be approved by The Queen, but neither the

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advice nor The Queen's approval will be published. These steps should be taken within a short period from now.

You will doubtless know from the Press that there has been a declared intention on the part of the Provisional Provincial Government of Bougainville to attempt to secede unilaterally from Papua New Guinea on 1st September next. This cannot be done legally. What exactly will happen is, as yet, not known. The new Constitution does not provide that provisional Governments must be established, but as things stand at the moment, the legislation by which the provisional Provincial Administration of Bougainville has in fact been established, still stands.

There are a number of political elements involved in the Bougainville question. One is the attitude of Bougainville Copper Limited which is a subsidiary of Conzinc Rio Tinto Australia. On the public record, the Company supports a unified Papua New Guinea including Bougainville, but of course, its ultimate policy will depend on the way events develop and where it judges its long term interests to lie.

Australia, of course, supports a united Papua New Guinea and, as I understand the situation at the moment, believes that on September 16th, the legal and factual situation will be that Papua New Guinea will still be united, Bougainville will not be independent in fact or in law, and although there may be some incidents, no great drama will, by 16th September, have developed.

It is difficult at present to assess the level of support which the secessionist leaders have amongst the Bougainville people, and it is obviously open to question whether the stated intention of declaring Bougainville independent on 1st September will have any immediate practical consequences.

In the past there have been discussions between the Provisional Government and the Government of Papua New Guinea about financial matters and there has been a tendency to assume that the threats of secession are really related to the ultimate outcome of financial arguments. However, there is some ground for believing that the leadership in Bougainville has been adopting a firmer intention of forcing things to ultimate secession. Such an outcome would depend upon negotiations between the Government of Papua New Guinea and Bougainville Provisional Government including the leaders of the last mentioned Government. There could be troubles in Bougainville, possibly a strike, possibly civil disobedience, and the Papua New Guinea Government could conceivably take steps to counter any such developments including the positioning of defence forces.

It is really not possible to predict exactly what may happen between now and 1st September, on the 1st September, or between the 1st and the 16th September. As events unfold I shall keep you informed.

There are good reasons from Australia's point of view why a united Papua New Guinea would be desirable though achievement of this is probably not essential to Australia's national interest. If Bougainville successfully secedes, Papua New Guinea would be weaker economically, and hence likely to be more pressing, so far as Australia is concerned, for economic support.

Bougainville secession would also increase the possibility of instability in Papua New Guinea in other areas.

You will appreciate that this outline, in a very summary way, of the position in Bougainville is an indication of my thinking about the developing situation. I am not passing on what I am saying as the advice of the Australian Ministers. They are keeping very closely in touch with the position and when, in due course, they do advise Her Majesty on the matter of becoming Queen and Head of State of Papua New Guinea, it will, I have no doubt, be in the light of their assessment of the whole position.

Security matters in Port Moresby are being carefully watched.

One other question which has caused complications has been that for general budgetary reasons, our aid to Papua New Guinea has had to be cut to some extent, consistently with what has happened across-the-board in Australia. It is most unfortunate that on the very eve of independence this has had to be announced.

The Chief Minister has had some rather stiff and critical things to say about what has been done. The Opposition Parties here in Australia have also been critical. The political explanation is, of course, that with cuts being made across-the-board affecting moneys available for Aborigines, the Arts, and indeed welfare and other matters of varying degrees of importance to Australian citizens, the Government has thought that it would be difficult in Australian political terms to make the sole exception aid for New Guinea. It is a moot point whether Australians would in fact have taken this attitude as it could well have been argued that as this is "Independence Year", Australia could and should make a generous exception in favour of New Guinea.

A real problem is that those elements in Papua New Guinea which have worried about Australian withdrawal and independence, on the ground that this would mean

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diminution of Australian aid, may appear to themselves and perhaps others in Papua New Guinea to have been correct on the long term, in their predictions. Furthermore, the Bougainvillians may feel stronger and the New Guinea Government weaker on the Bougainville issue because of what has happened on aid. These are all very touchy matters at the moment.

I am dictating this letter on the eve of the Budget which is to be announced tonight and will dispatch it as I do not think anything which happens in the Budget will alter what I have said. I shall write separately about our political situation here in the light of the Budget.

Please assure Her Majesty of my continued loyalty and duty and that we look forward to being received in November.

Yours sincerely,

JOHN KERR

P.S.

You may be interested in the attached article from the "Canberra Times". The journalist is a reasonably responsible person and much of what he has written accords with remarks made by Sir Mark to me on a recent visit.

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



## Sir Mark Oliphant: not one to sit tight in the easy life

SIR Mark Oliphant has been saying startling things for many years. Nevertheless, it is surprising to hear the Governor of the State of South Australia remark that "To my mind, the reality of the situation could become that at some time in the future, all State Governors will become Lieutenant Governors to the Governor-General".

The 74-year-old retired nuclear physicist, his home State's atypical Governor since 1971, is under no illusions about his place in the world.

"In fact", says Sir Mark, with good-humoured irony, "apart from any sort of crisis requiring gubernatorial intervention, which is incredibly unlikely but could happen, the only official function of the Governor is to open Parliament, in which case he just reads a speech prepared for him by the Government, and to preside at meetings of the Executive Council, and there of course, he is bound to accept the advice of his Ministers."

"And if he likes to sit tight and lead a nice life, that's all he need ever do".

### Controversial

And at Government House, Adelaide, where a couple of brass cannon sit outside the main entrance (the unworthily suspicious might imagine them trained in the general direction of the Adelaide Club on the other side of North Terrace, or the nearby Liberal Party headquarters) the easy life could be very pleasant indeed.

Instead Sir Mark has chosen, as he puts it, "to make the most" of his job. In the process he has become unquestionably the most controversial, and probably the most easily recognised, Governor of any Australian State.

"I appreciate the fact that as Governor I reach a wider audience when I speak about conservation, for instance, or the effects of technology on man",

he says. "But I have to be much more careful than when I was a university professor. It's so easy to be misunderstood, misinterpreted".

The one-time student and colleague of Lord Rutherford has warned of the dangers implicit in development of nuclear weapons which require mining of uranium.

"We think he's crackers", said one South Australian country woman, of this unconventional behaviour. The overwhelming sentiment in Adelaide, however, seems to be a sort of tolerant affection. The Governor is seen as an excellent complement to the cool, enigmatic figure of the Premier, Mr Dunstan.

### The Monarchy

"They've been extremely kind to me, extremely polite and helpful", Sir Mark says of the people of his State. "This applies to all political parties, all shades of opinion, even the churches, whom I've upset sometimes".

He is not an habitue of the Adelaide Club, though membership comes with the Governor's job and Sir Mark in fact has both accepted membership of its inner sanctum, the "Barbarians", and has been the first Governor to invite all club members to drinks at Government House. Nor has he won universal approval by inviting a North Korean delegation, Aborigines and the secretary of the Trades and Labour Council, among others, to dinner. But he thinks people are coming to accept such things as part and parcel of a contemporary governorship. He is relaxed, amiable, in striking, and pleasant contrast to the driven, disappointed man who retired from the Australian National University, whose Research School of Physical Sciences he founded, at the end of 1966.

Not that he has escaped all disappointment in Adelaide. "I'm not old-fashioned", he says. "I believe in the monarchy as a good alternative to all the difficulties that arise when you have an elected presidency."

"So to that extent I believed that the representative of the Queen in a State had a function to perform — well, rather like

the Pope has — to be able in fact and not just in fiction, to say "My Government", "My Ministers", speaking of course always with the voice of the Queen.

"But", he concludes, "it is not like that at all".

Sir Mark concludes that the Governor of a State is "very much" a deputy of the Governor-General. "He is not the representative of the Queen in his State, as was originally the situation."

"A State Governor can only communicate with the Minister for Foreign and Commonwealth relations. He has no direct access to the Queen. The Queen is the Queen of Australia, and yet a Governor can communicate only through the temporary Minister of a foreign government".

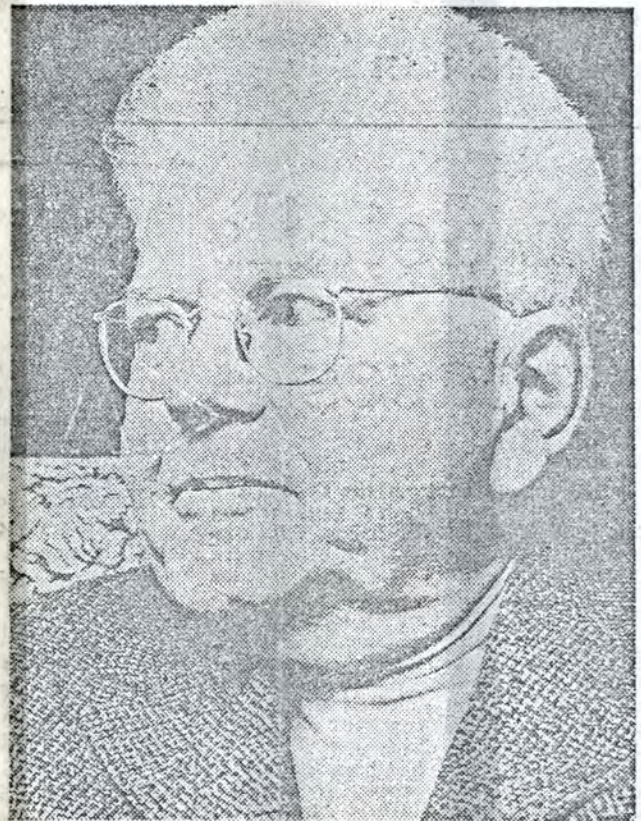
Only the Commonwealth Government can issue an invitation to a member of the Royal Family to visit Australia. If a member of the Royal Family was to be invited to visit Adelaide for any specific reason, the Premier must first write to the Prime Minister, who in turn would ask the Governor-General to issue the invitation.

### The flag

Another affront to Sir Mark's nationalism was the discovery, on taking office, that his gubernatorial Rolls flew a small Union Jack — not the Australian flag. Efforts to persuade all Governors to adopt a uniform approach, co-ordinated by Tasmania's Sir Stanley Burbury with Sir Mark's strong support, have so far foundered on the rocks of States rights and apathy. "I've tried to retain the links with Great Britain, but to make it clear this is not part of the British Isles", Sir Mark says of this campaign.

The Governor takes seriously what constitutional duties he has. "I think the Governor, before he signs a document, must understand it. You must sign it with full knowledge of what you are doing. But you cannot intervene. You can ask questions, try to be helpful — within the limits of your constitutional expertise, of course".

Sir Mark flatly denies the tales that he has had rows with



Sir Mark Oliphant

his Ministers. But it is an open secret that he occasionally has baffled them, quite literally with science.

He reads a variety of science journals, to keep up to date. Perforce, he has picked up a good deal of practical constitutional law and theory. The State Chief Justice, Dr Bray, provided "considerable aid in the early days, when I didn't know my way around".

### Environment

Does he feel a little like a bird in a gilded cage? "I find I've got to fight rather hard for my cage", Sir Mark says wryly. It was put to him that the wall enclosing Government House should be removed, and the grounds made a public park. "Now that's all very well. But it means that all the functions for which it's used, by the Boy Scouts and charitable organisations, would be impossible".

"Adelaide is a splendid place

to live", says Sir Mark, but "on the whole" he prefers Canberra — because its hills have not been defiled by developers. "I prefer the layout of the streets of Canberra", he adds.

He is indignant about the alienation of some of the green belt that encompasses the central city, but has hopes that it will eventually be restored, and about the damage done to the Adelaide hills and beaches by untrammelled "development".

"I like people", says Sir Mark of his work. "I like talking to people. I don't always understand them."

"I don't ever have sympathy with people who are tremendously biased, or one-eyed about anything, whether politics or anything else. This offends me."

"Man is a reasoning animal. He must be able to reason his way through anything. The other way", the Governor warns, "is mob rule, violence".



BUCKINGHAM PALACE

31st July, 1975.

*Dear Governor General*

As promised in my letter of yesterday I am writing again today in reply to your letter about your proposed visit to the United Kingdom during the second week in November.

First, The Queen is very glad to give her formal approval for this and for your absence from Australia which it will imply. Her Majesty is also glad that you should visit a few European capitals and Dublin after your visit to London.

I suppose you may have to change your plans if there is an election in the autumn, but we shall have to see how matters turn out between now and October.

In any case The Queen much looks forward to receiving you and Lady Kerr and to having substantive discussions with you about affairs in Australia, the honours system, the up-dating of the Royal instructions to the Governor-General and indeed any other matters which you wish to raise with her.

The Queen would obviously receive you in audience and she would like also to give a luncheon here at Buckingham Palace for you and Lady Kerr. I am writing separately to David Smith about this and we will be in correspondence together over dates and other details.

The Queen is most grateful to you for the assurances of your continued loyalty and duty and she sends her best wishes to you and to Lady Kerr. Her Majesty is much looking forward to seeing you in London.

yours sincerely  
Marion Kenton

His Excellency  
the Governor-General of Australia.



BUCKINGHAM PALACE

PERSONAL AND  
CONFIDENTIAL

30th July, 1975.

*My dear Governor General*

I find to my eternal shame that I have three letters from you on my desk to which I have made, as yet, no reply. Your last letter about your visit to London will be answered tomorrow after I have had the opportunity for another word with The Queen about it. Her Majesty has been on a tour in Yorkshire during the last two days and I have not therefore been able to see her since your letter arrived.

This letter is in reply to yours of 3rd July and 21st July. Both these fascinating accounts of what has been going on in Canberra have been read with the greatest interest by The Queen. Indeed, Her Majesty's interest in them has to some extent delayed this reply. She likes to read them at leisure and there has been so much going on here that her time for quiet reading has been very restricted.

Your letter of 3rd July was mostly about the political scene beginning with the Government's heavy defeat in the by-election for Mr. Barnard's old seat of Bass. A swing of 17% is enough to give any Government a nasty jolt, and enough too, to put the smell of power in the nostrils of any opposition.

I do not of course know whether Mr. Fraser would be wise, from a political point of view, to allow the Government to see its time out, but I imagine he will have to be a strong man to resist the pressure of his colleagues on him to force an election. I suppose that one can always argue that if you are in politics the most important thing is to get power whenever you can. I can see the sense in this as in politics opinion changes so quickly. As Mr. Wilson once said "a week is a long time in politics."!

Mr. Whitlam, as you say, is a great campaigner and I suspect will be very difficult to beat in a general election.

It will be of great interest to see what comes with the budget. I hope I shall be able to read about it in the papers in America where I am going tomorrow night for two days in Ottawa followed by my annual holiday in the backwoods of New England.

It is extraordinary that you had a repetition of the problem which arose in connection with Mr. Cameron over the dismissal of Dr. Cairns. As we have both said in our letters, whatever else a Governor-General of Australia's life may or may not be, it is certainly not dull!

Your letter of 21st July was, of course, of particular interest and value as it gave The Queen a lot of background information about the loan crisis and in particular of the events behind the fateful meeting of the Executive Council on 13th December last year. I think the story of the Executive Council meeting is one of the most amazing I have ever heard. You were badly treated and I am particularly sorry that there should have been some implied criticisms of your attendance at the Opera rather than at the Executive Council. Regrettable and unfair as such criticism is I suppose, nonetheless, it is just as well that the press have not discovered the true facts !

The last six weeks have been very interesting politically in this country, but so far I am glad to say The Queen has not been involved. She would be involved of course if there was a real split in the Labour Party leading either to an election or a coalition, but I do not see this happening in the foreseeable future. Mr. Wilson has shown his truly remarkable talents as a political tactician in being able to adopt many of the policies for which Mr. Heath was defeated without coming into open confrontation with his extreme left wing. I do not believe anyone would have believed this a possible achievement six months ago!

As I said at the beginning of this letter I shall write to you again tomorrow before going off to Canada and the U.S.A.

Yours very sincerely

Marlene Chantren

P.S. The Second Test match begins tomorrow, and I hope it will be possible for the <sup>British</sup> ~~British~~ to hold their head up at the end of it. I do NOT

His Excellency the Governor-General  
of Australia.

want to see Australia  
Gall up again to Victory!

ML

Government House,  
Canberra. 2600.

25 JUL 1975

I was very happy to hear from David Smith that Her Majesty would look with favour upon a visit by my wife and me to be received by her during the second week in November.

I have discussed with the Prime Minister the question of a visit to the United Kingdom. He supports the proposal and it is on his advice that I now formally seek The Queen's approval. From the point of view of my wife and myself, of course, the main pleasure would be for us to have the opportunity of being received by Her Majesty. I should also like the opportunity of talking to The Queen about the situation in Australia. If it interests her to do this, it may be possible for me to give her in a more realistic way than is possible by letters - even long letters - an account of what has been happening in Australia during my period in office.

If there is to be an election we shall know by October or at least by the first week in November. If Supply is denied during the Budget Debate Parliament would be dissolved. The Prime Minister would ask for a double dissolution and an election would probably take place during the first week in December. All of this depends to some extent upon what kind of Budget is brought down and Cabinet is at the present time having its pre-budget discussions. The better view seems to be that the Prime Minister will manage to produce a Budget which the Leader of the Opposition will find it difficult to use, through the Senate, to force an election, but if the opposite happens the election campaign would be in full swing whilst we were in London.

The Prime Minister would like us to visit a few European capitals and Dublin. He would, I think, prefer us to do this after our London visit. He would call on the Governor-General of Canada on our way to London. He has indicated that this would be welcome. His stroke prevented a visit arranged for May 1974.

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In addition to giving Her Majesty a general report on events in Australia and an account of my stewardship, I should like to report on the progress made with our new honours system and on the insignia for the Order of Australia. Prototypes of the various pieces of insignia and medals should be available during our visit to London. There is also the possibility that we shall need to amend the statutes, even at this early stage, to reflect our experience in developing the new system, and I would hope to be able to take up the question of the first investiture by The Queen

Two other matters which will be in the forefront of our thinking here by the end of this year will be The Queen's Jubilee Year visit, and the Prime Minister's proposal to seek The Queen's approval for a revision and consolidation of the Royal Instructions to the Governor-General. I believe you and David Smith spoke briefly about both of these matters, and about the first investiture, while he was with you, and I should like to take these a little further in my talk with Her Majesty and with yourself. Preparatory work would be done in advance of the visit and The Queen would be informed.

I had a long talk with the Prime Minister last night. He is quite pleased about what is being proposed and grateful that The Queen looks with favour upon a visit.

The old idea, which developed in the days of British Governors-General, of having a long period of mid-term leave does not seem to be appropriate these days. I know that Sir John Bunting has been of the view that a couple of short visits during the term might be more useful, and we are, therefore, very happy to be able to come in November, by which time I shall have been in office just over sixteen months.

I hope Her Majesty will appreciate that the tone of this letter is based upon what I have heard from David Smith and that, having received his report, I have proceeded to plan the visit with the Prime Minister's support, approval and advice. If, of course, anything has changed at your end, we shall both understand: but if Her Majesty is still of the same mind as when David Smith was in London, we will be most delighted to organise the details in accordance with her wishes.

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Would you please assure her of our continued loyalty and duty and ask her to accept our humble thanks.

Yours sincerely,

JOHN R. KERR

P.S. On re-reading my last two letters to you I have picked up the mis-spelling of the word "Gallup". I can only attribute this typographical error to the pace at which events are moving in Canberra these days.

Lieutenant-Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



Government House,  
Canberra. 2600.

21 July 1975.

*My dear Private Secretary,*

There have been many more developments which require a summary report to Her Majesty - summary only by comparison with the novel which could be written.

After the events covered in my last letter a huge campaign was mounted in the Press of Australia about various aspects of the loan crisis. No money had in fact been borrowed either as a result of the Connor-Hewitt-Khemlani activities or the Cairns-Harris or Cairns-Philip Cairns doings. No commissions had been paid. None were payable. Financially these exercises were dead. But during the last few months the so-called unorthodox methods adopted by Ministers to obtain huge loans for development and energy purposes - and some say "to buy back the farm" - came under great attack from the Opposition and from the Press. The attack was based on a number of allegations (1) the huge size of the loans - quadrupling, or more, the national debt, (2) the unplanned purposes for the loans, (3) the avoidance of orthodox methods, (4) the opposition of Treasury, (5) the side-tracking of Cabinet, (6) the secrecy of the intended plan, (7) the impact on Australia's standing as a borrower, (8) the resort to a device or "deception" to avoid putting the matter to the Loan Council by pretending the loan was for "temporary" purposes, (9) the inflationary impact of such huge sums if they could be used, (10) the incompetence, naivety and even stupidity of the operation, (11) deception of the Governor-General in relation to the whole matter, especially the Executive Council meeting of 13th December 1974, (12) the illegality and unconstitutionality of what was done. There were other points both about the Connor side and the Cairns side of the affair. The Press and perhaps Opposition leaders were scanning Europe and Fiji (where Philip Cairns had been operating) for documents and information and press "investigation" teams were competing to pay, in at least one case, for documents.

Part of the trouble was that Mr Connor had been dealing with a Mr Khemlani who apparently convinced him he could put together, on satisfactory terms from Arab sources, 4,000 million U.S. dollars as a loan. In circumstances later to be mentioned, Mr Connor gave to Khemlani, and to at least one other person, a copy of the Executive Council Minute authorising him (Mr Connor) to negotiate a loan and this and other documents started to float around Europe and the U.S. Copies of some documents began to turn up in the Press in Australia. Mr Fraser demanded a Royal Commission. The Prime

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Minister tabled a great deal of material. So did Mr Connor and Dr Cairns. The Prime Minister continued to refuse a Royal Commission. The debate lasted the day. The matter ended in the House without the Opposition being able to show any sign of corruption (which has been suggested by no one) but with all the above charges made and pressed vigorously.

Mr Fraser announced during the debate that if no Royal Commission were granted the Senate would call to the Bar of the Senate for questioning a number of senior public servants including Sir Frederick Wheeler, Sir Lennox Hewitt, Mr Harders (head of the Attorney-General's Department) and several senior officers of the three departments. It would also call the Solicitor-General Mr Byers, Q.C. The main thrust was obviously to be to attempt to show Treasury opposition to the whole loan policy, the Wheeler-Hewitt conflict, Connor domination and deceptive legal advice of the Executive Council by the Attorney-General, then Senator Murphy, now a High Court Judge. The Senate on the next day did take this course of deciding to summon these witnesses, adjourning till Tuesday, 15th July for the purpose. The Government and the Solicitor-General decided on the eve of the Senate meeting to claim Crown privilege. This seems to have taken the Opposition by surprise, perhaps because there had been leaks to the Press that "facts" as opposed to "policy" could be the subject of questions. The Prime Minister was on strong ground as Sir Robert Menzies had taken a somewhat similar line earlier and there were other precedents from the days of Liberal Government. It would be the beginning of a process amounting to the American system to allow senior public servants to be questioned in Parliament about a matter such as the loan issue. The Senate has accepted the outcome. No proceedings for contempt of the Senate were or are contemplated. The Government tactics have been loudly called "a cover up" by the Opposition and the Press. The Senate is still in session and has summoned for tomorrow a private citizen.

In the meantime between the meeting of the House of Representatives and the Senate meeting on 15th July, namely on Saturday 12th July, a State election was held in South Australia which has had a popular Labour Government under a very popular Premier, Mr Dunstan. There is in that State a weak and split Liberal Party and the Premier had decided upon an election which everyone, despite the Bass by-election, believed he would win with relative ease. The events in Canberra, however, cast a shadow over the State campaign which was strongly fought by Mr Fraser on federal issues. Mr Dunstan was, in the last few days, forced virtually to abandon Mr Whitlam, who by comparison with his activities in other campaigns, in effect

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kept away from South Australia. There was a swing against Labour and some seats were lost but Mr Dunstan barely survived - with dependence on a Labour independent.

All of this has probably greatly weakened Mr Whitlam's position. The latest Gallop poll shows his popularity down to 34% and Mr Fraser's at 67% - higher than Mr Whitlam's has ever been as Prime Minister. This has been compounded by another serious development within the Labour Party. There had to be a Caucus meeting on Monday, 13th July to elect a replacement for Dr Cairns in the Cabinet. By this time a build up of criticism of the Prime Minister had developed in the Labor Party. This was partly due to an announcement made by the Prime Minister that he would not accept Dr Cairns if he were re-elected and in such an event would not put his name to me. This would have forced a confidence confrontation in Caucus which would have made it a Whitlam-Cairns issue. Dr Cairns refused to resign as Deputy Leader of the Party. The charge was made that Mr Whitlam was being dictatorial making the Party his own, refusing to allow Caucus a free choice of Deputy Leader and the selection of a Cabinet minister, side-tracking Caucus and even Cabinet, and so on. Mr Hawke, President of the A.L.P. and of the Australian Council of Trade Unions (he is not in Parliament) supported a point of view somewhat along these lines. Mr Crean, the former Treasurer, whom the Prime Minister had replaced by Dr Cairns at the time of the Barnard re-shuffle, announced he would stand for the Deputy Leadership.

When Caucus met, Dr Cairns having refused to resign the Deputy Leadership, the Prime Minister had to move that the position be declared vacant. This was opposed by Dr Cairns and others and was carried by 55 - 33. Dr Cairns thus showed he had considerable but insufficient support. Mr Crean won the ensuing election and is now Deputy Leader. Mr Berinson was elected to the vacancy.

I began a tour of the Northern Territory on Tuesday, 9th July but flew back to Canberra from Katherine on Monday 13th to swear in Mr Berinson and to hold an Executive Council meeting.

The Prime Minister will perhaps be more responsive to Cabinet and Caucus opinion and Mr Connor is weakened. Mr Crean is an important opponent of Mr Connor's loan policy and although a quiet man is greatly strengthened. There is some speculation that, if the Government lasts, the Prime Minister may feel strong even to move Mr Connor after the next Senate election - mid 1976. However, Mr Connor is a strong man politically and physically - and brooks no opposition.

My own position in relation to the celebrated Executive Council Meeting of 13th December has been discussed and I enclose one of the better articles - an editorial in the Financial Review.

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I was not present at the meeting, as the press has discovered from reading past Vice-Regal columns. In fact I went down to Sydney on the afternoon of 13th December and spent the evening at the opera. What I shall now say is very confidential. I was never told that a meeting was to take place, never asked to preside and never agreed to it taking place in my absence. I would have cancelled plans to go to Sydney had I known of the meeting. It appears that preparations for it were, unknown to me, going on during Friday 13th. On return from the Opera, David Smith had a message at Admiralty House asking him to telephone, at his home, an officer of the Prime Minister's Department. He did so but the officer was "still at the Lodge". At 2.00 a.m. he had a call from the officer saying that an Executive Council meeting had been held that evening and had finished a short time before and that the documents would come down that morning for me to sign. Early the next morning the Prime Minister rang to tell me what had happened, said it had been too late to ring me, asked for my ex post facto approval of the holding of the meeting and advised me to sign the Minute. He gave me a detailed account of the matter. I shall not bother you at this stage with an account of the consideration I gave to the legal and constitutional aspects. The Prime Minister was leaving on 14th December for Europe and the other three leading Ministers who had been present and had signed the Minute had broken up for Christmas. The Ministers present at the meeting were the Prime Minister, the Deputy Prime Minister and Treasurer, the Attorney-General and the Minister for Minerals and Energy. The policy was obviously fixed and firm and based on the legal advice of the Attorney-General who had had a phalanx of legal advisers available at the meeting (or outside) including the Solicitor-General and the head of the Attorney-General's Department.

I have made a detailed note for my own personal files of everything that happened on 14th December and of my thinking at that time.

I signed the Minute after approving of the holding of the meeting. I can of course give a full account of my reasons for doing so.

Although the Press knows I was not present and there have been implied criticisms of me for being at the opera instead of presiding at such an important meeting, the Press has not yet discovered that I was told nothing about it till it was over - indeed till 14th December.

The Minute was revoked at a meeting of the Executive Council on 7th January. The Vice-President of the Executive Council and Mr Johnson were present. A new decision was made by the Executive Council, a meeting at which Mr Connor and

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the Attorney-General were present, in similar terms to the first but for 2,000 million dollars instead of 4,000 million. It was made clear to me that the policy was supported firmly by the same four Ministers on the basis of the same legal advice. This decision was revoked on 20 May 1975.

The matter is by no means concluded. The Senate is still sitting to inquire further. The House resumes on 17th August. Many questions will be asked. The Press and the Opposition are in full cry.

May I apologize again for the length of this letter. The constitutional and legal details would make this letter even more intolerably long.

I shall take up other matters in separate letters.

Please thank Her Majesty on my behalf for her kindness to David Smith and accept my thanks yourself. Please also assure Her Majesty of the devoted loyalty of my wife and myself.

*Yours sincerely,*  
JOHN KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

## FINANCIAL REVIEW THE LOAN

TUESDAY, JULY 8, 1975

One subject the Parliament should address itself to tomorrow at the special meeting called to discuss the political furor over the Government's loan-raising program is the role of the Governor-General and the documents and opinions Sir John Kerr examined during the proceedings of the Executive Council meeting which cloaked the Minister for Minerals and Energy, Mr R. F. X. Connor, with unprecedented powers.

To date political attention has remained fascinated by the seemingly endless cast of unusual characters involved in raising funds abroad in the name of Australia.

Mr Fraser sought to direct attention to the role of the Prime Minister in commissioning Mr Khemlani to seek funds abroad. However, he has not considered the wider constitutional issues involved in calculated deception at one level or another within the Government.

The Executive Council minute purports to outline the reasons for which the large sums of money were to be raised for "temporary" purposes.

The executive minute outlining the authority provided to Mr Connor set out the reasons for which the funds were required in the following fashion:

"The Australian Government needs immediate access to substantial sums of non-equity capital from abroad for temporary purposes, amongst other things to deal with exigencies arising out of the current world situation and the international energy crisis, to strengthen Australia's external financial position, to provide immediate protection for Australia in regard to supplies of minerals and energy and to deal with current and immediately foreseeable unemployment in Australia."

As this newspaper pointed out on June 13 the stated reasons for entering the international loan market for \$4,000 million or \$2,000 million did not pass even the most superficial critical analysis.

Almost in passing this point has now been conceded. At the highest levels within the Whitlam Government it is being stated openly, though not for attribution, that the motives behind the loan foray were altogether different. Apparently Mr Connor had in mind a massive exercise in buying back the farm.

The ultimate reasons are really unimportant in examining one aspect of the Government's behaviour — the methods used.

The Executive Council in reaching its decision to seek the sum of \$US4,000 million abroad did so on the basis of a spurious proposition. It compounded this deception by characterising the loan-raising as being "temporary."

Doubtless the lawyers of the world could argue from now to eternity over what was meant by a temporary and what was meant by a non-temporary loan.

The simple fact of the matter is that any normal member of the community with even the most casual knowledge of government financial arrangements would place a very narrow definition on the term "Temporary."

Certainly it would not extend to cover loans with a life of more than five years let alone the 20-year figure which has been bandied about.

Consequently there were two quite different quieting factors in the Executive Council minute.

The responsibility of the Governor-General in these circumstances is not precisely clear but it most certainly extends beyond being a Nelsonian rubber stamp.

Perhaps Sir Paul Hasluck, the previous incumbent of this post, is not an unchallenged authority on the responsibilities of the Governor-General but he has given some attention to the subject and would clearly have not acted in the same fashion as has Sir John Kerr.

Sir Paul in the William Queanemorial lecture he delivered in Adelaide on October 24, 1972 (when he was still Governor-General and there was a Liberal-Country Party Government in Canberra) gave the following description of the responsibilities of the Governor-General presiding in Executive Council:

"In presiding in Executive Council in this way the Governor-General is both a watchdog over the Constitution and a watchdog for the nation as a whole and a watchdog for the Government considered as a whole (whatever government may be in power)."

"He does not reject advice outright but seeks to ensure that advice is well founded, carefully considered and consistent with stable government and the established standards of the nation."

Sir Paul did not discuss the actual mechanics by which the Governor-General determines these facts. The simple matter is that he usually has before him the Cabinet minute covering a proposal that he is able to satisfy himself that the Executive Council is actually carrying out the will of the Government, a will which has been reached by the conventional route.

In the case of the \$4,000 million loan minute this did not happen. There was no Cabinet minute because Cabinet was not in a position to provide a proposal.

In itself this should have been enough to raise some questions in Sir John's mind.

Admittedly the role of the Governor-General as a watchdog "for the Government"

Government House,  
Canberra. 2600.

3 July 1975.

In one of your recent letters to me you said that I am having a brisk time as Governor-General. This I think is true enough, and the briskness continues.

You may remember that I ventured to say in a letter of 11 June dealing with recent political developments, that it was thought to be likely that Labor might lose the by-election for Mr Barnard's old seat, but that it was then too early to come to such a conclusion. My own private view at that time was that the electorate of Bass would probably be lost, and indeed the Prime Minister was of the same opinion.

In the event, the political result was a disaster for the Government. The Prime Minister threw himself into the campaign with extraordinary vigour, but a swing of seventeen percent cannot be explained simply by the ordinary by-election psychology or the loss of the personal following of Mr Barnard.

Mr Fraser, the Leader of the Opposition, campaigned strongly on true federal issues, throwing out a challenge which the Prime Minister took up. Both leaders in effect asked for the judgment of the electors of Bass as an indication of general Australian reaction to the present Government.

The judgment given certainly has to be discounted because it was a by-election and because of Mr Barnard's following, but it and the gallop polls indicate that the Government is in bad electoral shape at the moment.

This however, had been displaced in the headlines, as you will doubtless have read in the press, by the dismissal of Dr Cairns, the Deputy Prime Minister. In an earlier letter I opened up some of the problems of Dr Cairns' position. However, I did not discuss, because it was not then relevant or public, his problems with his step-son, who is his electoral secretary. There seems to be no point in trying to summarise the extraordinary intricacies of what has been happening about the alleged involvement by Dr Cairns, his personal friends, and his staff in the seeking of loans for the Australian Government in the Arab world.

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Almost every element in the very complicated situation is the subject of disputation. The Prime Minister really had no alternative but to advise the termination of Dr Cairns commission as Minister for the environment. He had asked him to stand down until all the disputed questions were settled, but he refused to do this and he also refused to resign his portfolio.

I could give you a detailed account of the various issues and of the disputes about the facts, but wherever the truth may lie, it became politically impossible for the Prime Minister to carry the burden of Dr Cairns' continued participation in the Ministry.

I had a repetition of the problem which arose in connection with Mr Cameron. On Wednesday night, I made an appointment for the Prime Minister to attend on me at 8.00 p.m. to give certain advice to me. He had previously told Dr Cairns what that advice would be and at about 7.30 p.m. my staff received a telephone request from Miss Morosi, Private Secretary for Dr Cairns asking me to talk to him on the telephone. She was told that I was at dinner and that if I had any need to talk to him I would let him know. He immediately rang back through her to say that he knew from the Prime Minister what his advice to me would be, and that he respectfully asked to be heard before I made any decision. I had him told that I would bear in mind his request.

When the Prime Minister came and the expected advice was tendered to me, together with the advice that I should not hear anything from Dr Cairns, (advice which I expected and with which I agreed, in accordance with constitutional doctrine on which I had previously acted and which was outlined by you in your letter of the 19th June) I then had Dr Cairns informed that I had received certain advice from the Prime Minister, and that in the circumstances I saw no point in having discussions with him.

The Prime Minister has been sworn in as Minister for the Environment. He has called a meeting of his Caucus for Monday week. At that meeting there could easily be a motion for a spill, a development which he would like to see occur. He confidently expects to be re-elected leader if there is a spill and does not think that in the intervening period Dr Cairns will make a decision to fight the issue out in Caucus. He believes that Dr Cairns will come to the conclusion that he cannot get the numbers to be re-elected to Cabinet or to remain as Deputy Leader.

There has been continuous publicity about the various aspects of the "loan deals". This publicity extends beyond Dr Cairns and his son and their alleged activities and embraces four ministers at least and indeed indirectly the whole Government.



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A combination of these circumstances with the election result in Bass and the upheavals within Cabinet have set the stage for a possible election before the end of the year.

The Leader of the Opposition, Mr Fraser has been taking a "low key" approach to things but has been demanding a judicial enquiry into the whole business of alleged Australian ineptitude in relation to attempts to obtain loans of Arab money.

He has previously said that, as opposed to Mr Snedden, he believes the Government should be permitted to see its time out unless extraordinary circumstances demand that it should be brought down. The combination of events to which I have previously referred would appear to give him ample room to argue that extraordinary circumstances have emerged, but of course he cannot bring the Government down except by use of his power in the Senate to deny supply.

This could be done on the Budget in which event a vote would be taken in late October or in the first half of November and this could lead to an election perhaps in early December. Mr Fraser will be under extreme pressure from various groups and interests in the country to take power, which he could probably do in an election held this year. However, he would be taking the country over under circumstances in which the economic problems would be awkward in the extreme, and he may wish to let the present Government carry the burden of a hard Budget.

Despite this, so great is the concern in some quarters on his side of politics about the state of the country and other problems of political significance about the effects of Labor performance that he may find it impossible to resist pressure to deny supply and force an election. Indeed he may not wish to do so.

The Prime Minister's fortunes are at a low ebb, but he is extremely resilient and although doubtless pessimistic about his prospects in an election, should there be one, he is a great campaigner and will I should think fight to the end.

I spent about an hour and a half with him last night. He seemed to want to talk about his problems in a general way. He sees clearly what his position is. His big problem will be whether he can force through his Cabinet and Caucus, a Budget which Mr Fraser would find it hard to criticize or use as a basis for denial of supply. As always in these interesting political situations we must wait for the next series of developments.

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It is not possible to say at the moment whether there will be any development on that aspect of the "Arab loans" crisis which involved Mr Connor as Minister for Minerals and Energy and Mr Hewitt as his Departmental Head. This too, is a complicated matter but it is quite different in its general character from the situation in which Dr Cairns got himself involved.

I enclose a copy of a leader in today's Canberra Times a responsible, high quality paper. I do this because of what it says about the Governor-General's powers and possible duty. I have no intention of course of acting in the way suggested. There is ample room for the democratic processes still to unfold. So far the Canberra Times is the only paper, to my knowledge, to raise this point. The editorial may be of general interest as background.

On another subject, the Government has decided not to go ahead with the proposal to shift part of the Commonwealth Scientific and Industrial Research Organisation into Mr Connor's department. All the relevant employees will remain as employees of the statutory authority C.S.I.R.O. but on the Minerals and Energy side that Authority will be responsible to the Minister for Minerals and Energy rather than to the Minister for Science and Consumer Affairs.

The continuing saga of the Prime Minister's attitude to the head of the Treasury becomes more complicated, but my judgment is that Sir Frederick Wheeler will survive in his present position. Here again the reasons are of a complex politico-legal kind, fascinating to me, but of no real interest, I should imagine, to Her Majesty or to you.

I was very grateful to have your note in which you said that The Queen is not disturbed by my "bombardment of paper" and both my wife and I are most grateful to Her for sending us Her best wishes.

We both look forward to having an opportunity before very long of being received by Her and I personally would appreciate being able, if it is of interest to Her Majesty, to give her some of the colour of politics in Australia today. It is difficult to do so by correspondence.

Please assure Her Majesty of the continued loyalty of my wife and of myself.

Yours sincerely,

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

# The Canberra Times

Friday, July 4, 1975

## AN ARROGANT SILENCE

THE succession of embarrassing disclosures which the Government has felt itself obliged to counter with tactics that suggest surprise and unpreparedness on its part, combined with a sense of dismay in the general community and some evidence of anger and resentment within Labor Party ranks, leads to one certain conclusion: the time has arrived for the Government to render a full and public account of what it has been doing. Whether the Prime Minister's intention to table documents in Parliament satisfies this demand remains to be seen. There is so far no incontrovertible evidence of illegal or morally reprehensible acts, but there are positive grounds for suspicion that all is not well and for concern at what is likely to happen next.

The Prime Minister, Mr Whitlam, is apparently not prepared to admit it but the situation he has on his hands is not only a serious internal Labor Party crisis; it is a national crisis and he has to come out and meet it head-on. Mr Whitlam knows that he has to render an account of himself to his masters in the caucus room and he has been quick to call a meeting of that body for July 14. But the concerns of the party are of little moment compared with the legitimate expectations of his constitutional masters, the people of Australia, who want him to institute without delay a top-level inquiry into the circumstances of his Government's loan-raising activities overseas.

The time to hide behind clever manoeuvres, glib denials, and empty assurances has passed. When the nation could be facing a governmental and possibly even a constitutional crisis, at the same time as it is struggling with major economic dislocation, the webs of suspicious intrigue must be swept away under the full glare of national publicity. Administrative decisions made in secret will not do when the question is whether the men in Government are worthy of the confidence of the people.

The only way Mr Whitlam can exonerate his Government of any suspicion of wrong-doing or call to account persons who may be guilty of improper actions is to submit himself, the other members of the Government and all persons involved to examination by a top-level tribunal. This could be a simple judicial inquiry or, better still, a Royal commission armed with full powers to call witnesses and papers and to prosecute persons who refused to comply with its directions. A committee of the Parliament itself set up by the Senate, if it can be recalled, also would have ample powers, but the danger of political bias on the part of its members and the more cumbersome parliamentary procedures to compel unwilling witnesses, such as through a charge of contempt, could defeat the purpose of the inquiry altogether. The Senate committee set up in 1973 to inquire into the civil rights of migrant Australians has apparently been consigned to permanent oblivion.

## Governor-General's powers

The Leader of the Opposition, Mr Fraser, has called for a judicial inquiry. As it is obvious that the Prime Minister has no intention of appointing one, Mr Fraser might consider giving an undertaking to call one when he becomes Prime Minister, which now seems to be almost a foregone conclusion. Some of the questions that demand answers are: For what purposes did the Government try to obtain a huge loan of \$4,000 million? What is at the bottom of Mr Whitlam's deep distrust of Treasury? Why was Dr Cairns singled out for dismissal when other ministers and the Prime Minister himself also are under suspicion? Why did the Government fail to comply with the constitutional obligation of consulting the Australian Loan Council when the loans it sought did not qualify for the exemptions provided for defence or emergency purposes? What was the Government trying to hide behind its calculated stance of secrecy? And what justification can the Government advance, in the absence of any convincing emergency, for its intention to commit future governments and the taxpayers to the repayment, during a term of possibly 20 years, of a debt of this magnitude?

In view of the deep factionalism that divides Labor and of the powerful enemies within the party whom Mr Whitlam has mortally offended by his actions, one can only speculate about what might happen when the caucus meets in 11 days' time. In view also of Mr Whitlam's unwillingness to call an inquiry it is well to consider the alternative courses of action that are available. The ultimate guardian of the Constitution, of the rule of law, and of the customary usages of the Australian Government in a time of crisis is the Governor-General, who has certain clear powers to check an elected government. He normally acts on the advice of his ministers but there are occasions when he need not seek or accept that advice. He could, for good and sufficient reasons, revoke the commissions of a Prime Minister or of other ministers. It is within his power to take steps that could lead to a dissolution of the Parliament and to a general election. The good government of Australia, especially at a time of grave economic disruption, is the only thing that counts and the most extreme steps to ensure this must be taken if there is no other way.



BUCKINGHAM PALACE

Personal and  
Confidential

25th June, 1975.

*Dear Governor General*

Thank you very much for your letter of 20th June which filled in the background of our telephone conversation about Papua New Guinea Independence. You will, of course, have received my telegram in which I said that The Prince of Wales would be glad to represent The Queen at the Independence Celebrations, and there is no reason why planning for this visit should not now go forward. We must hope that nothing happens to upset the time-table.

Your letter has, of course, been seen by The Queen who is not at all disturbed by your "bombardment of paper." Indeed, Her Majesty finds everything you write of the greatest interest.

*She sends you with her best wishes -*

*Yours sincerely*

*Martin Charteris*

His Excellency the Governor-General  
of Australia.

Government House,  
Canberra. 2600.

20 June 1975.

I should like to confirm the telephone conversation which I had with you last night. I felt it necessary to let you know immediately what happened about Papua New Guinea.

The Press carried the story yesterday that Cabinet and Parliament in Papua New Guinea had fixed September 16th as the date for Independence. This came as a surprise and the day was spent finding out the background.

I conferred with the appropriate people during the afternoon, and was in a position to give you in summary form on the telephone, an account of the developments.

There has been a secession movement in Bougainville. This is, as you will doubtless know, an island, part of the old Territory of New Guinea, and of course, part of the combined territory of Papua New Guinea.

There have been developments in the direction of establishing a provincial assembly for Bougainville. It is the location of a very productive and wealthy copper mine the royalties from which are very considerable.

The Bougainville politicians have always wanted the full revenues of the copper mine to be available for development in Bougainville and some little time ago an agreement was reached with the central Government that these revenues would be available for this purpose. There was however an offset to the effect that Bougainville would not get the same proportion of developmental finance that it had previously got. This has been the subject of further disputation.

During the last few days there has been a very strong move to get the right to secede. The Chief Minister has positively rejected any such notion. It seems clear to me, and my advisers in Canberra are of the same view, that the Chief Minister,

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Cabinet and ultimately the Parliament have felt it necessary to bring the independence day forward as far as possible as a method of asserting national strength, unity and independence in the face of the Bougainville secession demands.

Australian policy would be for independence to be achieved before any real problems arise in relation to Bougainville. Australia, of course, does not want to be involved in any steps that it may be necessary to take on the Bougainville question. There was therefore no resistance from Canberra to the day being fixed for independence at as early a date as possible. Indeed, Australia has been pressing for this. The best view however, was that it would not occur before about mid-October and indeed although they have fixed the date, there is a great deal still to be done about the actual terms of the Constitution.

I spoke to David Smith on the telephone the other day about their desire in Papua New Guinea to clarify the position about the availability of Prince Charles. The Prime Minister had asked for this to be done urgently and I sent him a letter, after my discussion with David Smith, a copy of which I send to you for your personal information. I have, of course, had several letters from you stressing the desirability of the mid-October date.

When the contents of the attached letter were communicated to Port Moresby, the air was cleared of the confusion which had arisen as a result of the information which the British Commissioner had given and for a time it appeared that Cabinet would reconsider the point of view to which it was coming that September 16th should be fixed as the date.

However, during the day yesterday, Cabinet, after fully considering the whole picture, including the points in the letter attached, decided that in all the circumstances they had to fix September 16th. Parliament agreed by a very substantial majority. The actual dates are now to be 14th to 16th September with 16th as the day for the celebrations.

Everyone here appreciates that Her Majesty and His Royal Highness the Prince of Wales have done their best to enable the independence celebrations to be graced by the Prince of Wales and everyone would like that still to happen if it possibly can be achieved. However, it is realised that there could be real inconvenience to His Royal Highness and if it is not possible for him to be present for the celebrations between the 14th and 16th September this will of course be fully understood.

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If however, he can get to Port Moresby for those days there will be great pleasure and excitement. They have said that if Prince Charles cannot be present they would still wish to go on with their celebrations on the selected dates and would be content, if it pleased Her Majesty, to have me represent Her. I am only too happy to do this, but it is, of course, entirely a matter for Her Majesty.

I should add the comment that Papua New Guinea being what it is and colonial disengagement being as complicated and unpredictable as it always is, there could still be changes, but the pressure of events in New Guinea seems now to have made the date really clear.

As to the secession situation in Bougainville, it is not possible to be firm and clear about the future, but I have the impression that there will be no successful secession in the coming few years. In other words, I am myself of the view as things stand, and this is supported here, that this particular problem is not one which need give Her Majesty concern on the point of accepting the Crown.

Nevertheless, it is a matter which Her Australian Ministers will have to take into account before they give Her Majesty their official advice. I have stressed here in Canberra that the one important principle, as you stated in your letter of 11th June - and it has to be maintained - is that Her Majesty will only accept the Crown of Papua New Guinea on the advice of Her Australian Ministers.

I have expressed the view that this should be given, after taking into account the whole picture, including developments in relation to Bougainville.

I must apologize for the bombardment of paper that you have had from me and ask you, as always, to convey to Her Majesty my expression of loyalty and duty.

Yours sincerely,

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



Government House,  
Canberra. 2600.

17 June 1975.

My dear Prime Minister,

I refer to your letter of 14 June 1975 dealing with the proposed visit of His Royal Highness, Prince Charles on the occasion of the Independence Celebrations in Papua New Guinea.

I was told that you were anxious to have an urgent reply to your letter and to enable this to be done I have communicated with London by telephone. I confirm what I previously said to Mr Morrison when he was Minister about the convenient time for the Prince to visit Papua New Guinea.

It is true, as the British Commissioner in Papua New Guinea apparently told the Government, that the Prince is beginning a naval course on 22 September but he is interrupting this to visit India during the last week of October. It is necessary for him to be in India on 24 October and he would be available for a period of from four to seven days ending on 23 October for a visit to Papua New Guinea.

He would be prepared to visit whatever part of Papua New Guinea the Government suggests, including, for example, the Highlands. He would prefer to have any such visits arranged before the actual day of the Independence Celebrations which would presumably be in Port Moresby. His visit could come to its climax with the independence ceremonies.

These would therefore, from the point of view of Prince Charles' convenience, be best fixed for say 21 or 22 October.

The position is that Her Majesty The Queen is most anxious for Prince Charles to represent Her in Papua New Guinea at the Independence Celebrations. There never has been any confusion at The Palace about these arrangements. I have been asked a couple of times by the Private Secretary to The Queen, Sir Martin Charteris to endeavour to have the date for these Celebrations fixed so as to fit in conveniently with Prince Charles' visit to India.

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SECRET

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I trust therefore that it will be possible for the Government of Papua New Guinea after July, to fix a date consistently with the proposals outlined above.

The other arrangements being made for the Prince would involve him leaving for Papua New Guinea from Singapore and returning to Singapore from Papua New Guinea. The R.A.F. would be attending to his transport arrangements except for the journey, Singapore to Papua New Guinea and return, and it is hoped in London that the R.A.A.F. would be able to provide transport from Singapore to Papua New Guinea and back.

The Palace appreciates the problem about getting the actual date fixed and your letter makes it clear that it will not be set before early July at the earliest.

I shall be anxious to let The Queen and Prince Charles know the date as soon as it is fixed. If anything happens which indicates that there will be no celebrations in October I should like to be in a position to let The Queen and the Prince know as soon as this becomes clear.

Yours sincerely,

JOHN R. KERR

The Honourable E.G. Whitlam, Q.C., M.P.,  
Prime Minister,  
Parliament House,  
CANBERRA A.C.T. 2600

SECRET



WINDSOR CASTLE

Personal and  
Confidential

19th June, 1975.

*My dear Governor General*

Many thanks for your most interesting letter of 11th June about recent political developments and also your letter of the same date about the situation amongst top Public Servants, both of which have been read by The Queen with close attention.

I do not believe The Queen has ever been faced with a situation similar to that which faced you when Mr. Cameron refused to resign and argued that you were not entitled to dismiss him on the advice of the Prime Minister without hearing him.

I have no doubt in saying that the course you took, that is to say accepting the Prime Minister's advice and refusing to receive Mr. Cameron to hear his arguments, is the same as would have been followed by all British Sovereigns in modern times.

Here, of course, there is no written Constitution and I suspect this makes matters easier. The constitutional doctrine here is that all Ministerial appointments are made by The Sovereign on the advice of the Prime Minister, that they are at The Sovereign's pleasure, and that they can be terminated by The Sovereign on the Prime Minister's advice at any time, and so far as The Sovereign is concerned there is no more to be said about it.

The advice you received and the action you took seems to confirm that this doctrine applies equally in Australia.

The denouement clearly justified what you did in practical as well as constitutional terms.

We did not exactly have the same situation the other day over Mr. Benn's transference from Industry to Energy though here, too, the Unions through Mr. Jack Jones expressed their displeasure at the move.

You are certainly having a brisk time as Governor-General !

I showed your letter about the top Public Servants to The Queen because she knows the characters concerned and in particular, Len Hewitt. You may be sure that Her Majesty will be interested to hear how these matters develop.

*Yours sincerely*

*Martin Lantieri*

His Excellency the Governor-General  
of Australia.



WINDSOR CASTLE

Personal and  
Confidential

18th June, 1975.

*My dear Governor General*

Many thanks for your letter of 11th June about the Order of Australia which The Queen has read with interest.

I think the sort of problems that have been encountered over the first list are more or less unavoidable when a new Order is instituted, and it is only to be expected that amending Statutes will have to be promulgated after the problems have been identified by experience.

I am sorry about Sydney Nolan whose work is very well known over here. He is a most distinguished Australian in the artistic field and his name would have been of value in the first list. But perhaps, as you indicate, we may see it in some future list in the top rank.

David Smith tells me that Stuart Devlin has agreed to prepare designs for the insignia. This could prove an imaginative choice as he is a fine artist and craftsman.

*Yours sincerely*

*Martin Charteris*

His Excellency the Governor-General  
of Australia.



WINDSOR CASTLE

Personal and  
Confidential

17th June, 1975.

*My dear Governor General*

Many thanks for your letter of 11th June about Papua New Guinea. This will, of course, have crossed my letter to you of 11th June.

David Smith tells me that he spoke to you on the telephone yesterday morning so you will, therefore, by now have double confirmation that mid-October is a convenient time for The Prince of Wales for the Independence Ceremony.

We must hope that all will be ready by then but I recognize that nothing is yet certain.

If the authorities in Papua New Guinea understand that mid-October is practicable for His Royal Highness but that a later date could present considerable difficulty, this could perhaps act as a spur to get matters settled in time.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General of Australia.

PERSONAL AND  
CONFIDENTIAL



BUCKINGHAM PALACE

11th June, 1975

*My dear Governor General*

Many thanks for your letter of 30th May and the accompanying documents, all of which The Queen has read with close attention.

I am being kept in touch on immediate questions to do with the progress of affairs in Papua New Guinea by Australia House and I understand that the House of Representatives have approved that part of the Constitution which designates The Queen as Head of State. I believe there remains a problem over the exact wording of The Queen's Style and Title but my understanding is that this matter is being pursued by the authorities in Canberra.

From The Queen's point of view I am sure that the one important principle to be maintained is that Her Majesty will only accept the Crown of Papua New Guinea on the advice of her Australian Ministers. Everything else, the details of the Constitution, the exact wording of Her Majesty's Style and Title, and so on, will come under this Constitutional umbrella. It seems to me, with respect, that those responsible in Canberra are very much alive to their responsibility in this matter and are keeping a watchful eye on The Queen's interests.

You ask me how soon we shall need to know the date of Independence from the point of view of The Prince of Wales. The answer, which is not very helpful, is "as soon as possible" and certainly by July. At the moment mid-October looks good from His Royal Highness' point of view, but his other plans beyond that date are beginning to crystalise, and if the Independence date slips into late October or November we could be in difficulty.

The Queen has read your account of your visits to Fiji and New Zealand with much interest.

It was unfortunate that the Prime Minister of Fiji was unable to be in the country during your visit. I do not know a great deal about the political situation in Fiji but imagine that the Prime Minister plays a more dominant role in his country than do many Prime Ministers of larger countries in theirs. Substantive talks would, I suppose, depend largely on his presence, and would almost by definition be lacking in his absence. One can always, however, depend on courtesy in Fiji!

It is regrettable that your reception in New Zealand was less satisfactory in so far as the Prime Minister's attitude was concerned. Your analysis of the reasons for this attitude are most interesting, but I do not feel competent

to comment on them, apart from saying that I am sure there was nothing personal in Mr. Rowling's approach but that it was dictated by the sort of considerations you ascribe to it.

David Smith is now with us and we are all of us having useful conversations with him. It is very wise to have him here. I shall write again about any points which arise from our talks.

The Queen thanks you for your expression of loyalty and sends her warm good wishes to you and to Lady Kerr.

Yours sincerely  
Martin Chuzzleworth

His Excellency the Governor-General of Australia.



Admiralty House,  
Sydney. 2000.

11 June 1975.

Order of Australia

There are some background details that I should let you have for the information of Her Majesty about the way things have developed with the Order. You have received and The Queen has approved of the recommendations for awards. There has been a fine response. All of those recommended to be Companions have accepted.

There was a slight problem about Patrick White, the novelist. He is a very distinguished Australian novelist who has been awarded the Nobel Prize for Literature. On the whole he does not believe in Honours Systems and rather regrets having accepted the Nobel Prize. He is a friend of mine and it so happened that I saw him privately and accidentally at the time he was considering the letter asking him about his attitude to the award if offered.

I did not press upon him the idea that he should take it if his inclination was to the contrary, but in a conversation which inevitably occurred, the pros and cons were touched upon as he thought aloud on the subject, and in the end he sent along a telegram "Gratefully Accept".

All of those recommended for Officers have accepted except four. Judith Wright, the poet is a very fine and outstanding Australian who had reasons very similar to those which were operating with Patrick White. In effect she, as he tended originally to do, being a creative artist, took the view that the only honour that could ever be accorded to an artist is the judgment of literary history. I do not know her and of course I made no attempt to influence her judgment.

The second is a person I know very well, Mr Tom Fitzgerald, a very fine financial journalist who has recently done work for Mr Connor, the Minister for Minerals and Energy, and is now working on some kind of research work for Dr Coombs who is chairing the Royal Commission into the Public Service. He regretfully declined without giving reasons and here again I left it at that. Dr Coombs, who had been recommended as a Companion has previously, so I am told, refused a knighthood, but has accepted the award for which he has been recommended. I had rather hoped that Fitzgerald would take the same attitude though, of course, they would not have been able to talk to one another.

The third person to decline an award as Officer is the artist, Sydney Nolan. My own view is that he should have been offered an award as Companion. I had intended to discuss this with Sir Garfield Barwick, but the letters had gone out and it was too late. Nolan was given a C.B.E. in the 60's and does not appear to be opposed to honours, but to be offered an award as Officer in the Order of Australia may have seemed to him no great advancement on what he had already achieved ten years ago. He is in the United Kingdom and I have no actual knowledge of what his reasons were for declining.

As between Sir Garfield Barwick and myself, the question will doubtless arise in the future as to what attitude the Chancellor can, or should take about recommendations made to him. I believe that there should be some real discretion about adding to or subtracting from the list, and indeed about altering the level of award as recommended by the Council. But this I suppose is best achieved in an informal way by talking, either before the Council's final recommendations are made or perhaps some times afterwards.

On this first occasion I was somewhat diffident about entering into discussions with the Chairman because he had done such an excellent job in bringing the Council to fruitful deliberations and sensible recommendations. He took his job very seriously. I have known him, in the law, all my life. He is, of course, older than I am and has always been much senior to me in the law.

The successful launching depended to a considerable extent upon the Chairman and his judgment and leadership. Nevertheless, as time passes I shall have to sort out with him a modus operandi when it comes to final recommendations and final decisions.

I think Nolan would probably have accepted an award as a Companion had it been offered to him, however it may be possible to test this out in the future.

The fourth person who has declined is Dr Price, the distinguished Chairman of the Commonwealth Scientific and Industrial Research Organisation. He at first accepted but has rung this morning to withdraw his acceptance because of a serious rift with the Prime Minister over last week's political and administrative rearrangements. The background to this is covered in a separate letter.

On the military side, we had two interesting problems. Air Vice Marshal Read, former Chief of the Air Staff was recommended to be a Companion. He had however resigned from the Air Force a couple of months ago, and our view was that the proper legal interpretation of the Constitution made it possible to recommend as a Companion,

only a serving member of the Forces. We may have to recommend a change in the Constitution to permit awards to be made to recently retired members, but this will need careful attention and has some policy aspects to it. I would have been perfectly willing to recommend Air Vice Marshal Read had this legal problem not arisen. In the meantime we felt that we should not do anything until the Government has had an opportunity to consider whether it has an attitude to the Military Division being extended to retired members of the Forces, and if so, to what extent.

The other problem on the Military side was that the Chairman of the Chiefs of Staff Committee, Admiral Sir Victor Smith was recommended very strongly by the Minister for Defence, who in the Military Division plays the same role as the Council plays in the Civil Division. Admiral Sir Victor Smith's name had not come up to him from the Defence Department because Sir Victor felt himself bound by a guideline which had been laid down in the Civil Division to the effect that a Member of the Council of the Civil Division should not be a recipient of an award whilst a Member of the Council. Sir Victor, of course, though a Member of the Council of the Civil Division, is not eligible for an award in the Civil Division and will not be eligible whilst he remains a Serving Officer.

Furthermore, the principles upon which a person may be made a Companion in the Civil Division are differently stated in the Constitution from those upon which a person may be made a Companion in the Military Division. It would also be extremely difficult for persons in the Forces to understand that some officer junior to Sir Victor, and less eminent in his Service should be made a Companion when Sir Victor was not. It could be difficult later to make Sir Victor a Companion in the Civil Division after his final retirement from the Forces, which will not take place until some time in 1976.

All in all, it seemed to me that the Minister was correct in taking the view that Sir Victor should be entitled to be made a Companion of the Military Division now, and not have to run the risk that at some future time, he might or might not be regarded as satisfying the requirements for Companionship in the Civil Division.

Another point is that, having regard to the position of Companions in the Order of Australia in the overall honours structure he would have been in the awkward position that a Companion in the Military Division

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being junior to him in rank and less eminent in Service would have a decoration which, as it were, outranked his K.B.E. Accepting that the Order of Australia is to be a true order of merit, it seemed to the Minister, and I have accepted this view, that Sir Victor should not be debarred from recognition in such an Order in its Military Division merely because he happens ex-officio to be a member of the Council of the Civil Division.

I have written to Sir Garfield Barwick telling him that I have accepted the view of the Minister that Sir Victor Smith's membership of the Council of the Civil Division, though debarring him from consideration under the guidelines adopted as a Companion in that Division whilst he remains a member of this Council, should not debar him from being made a Companion in the Military Division. Hence my recommendation on this matter to Her Majesty.

Arrangements have been made at this end to have some designs prepared for the insignia, not only of the Order but for the other decorations established at the same time. David Smith will be kept informed of what is happening on this subject and will doubtless talk to you.

We shall need to get some speedy action on the manufacture of the insignia and, of course I shall be in touch with Her Majesty about designs before any approvals are given. I understand that she will be interested in this matter.

As to an Investiture, we must necessarily leave this open for the time being. I appreciate the unlikelihood of Her Majesty being able to come to Australia before Her Jubilee Year. By that time we shall have had, I should think, four lists in the Order of Australia. We have not yet at this end, given any thought to a first Investiture which of course we should be most anxious for The Queen to take herself. I shall mention this again at some early future date.

Despite the position of the four declining "Officers" we are satisfied with the response of those for whom awards have been recommended and await the public reception which the announcement receives on The Queen's Birthday.

Please excuse the detailed exposition of the position on this first occasion.

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to the Queen,  
Buckingham Palace,  
LONDON ENGLAND

PERSONAL AND CONFIDENTIAL

Admiralty House,  
Sydney. 2000.

11 June 1975.

Recent Political Developments

You will know from the Press that we have recently had a big "re-shuffle" of the Cabinet. Things started with the desire of the Minister for Defence, Mr Barnard to give up politics and take up an ambassadorial role. This provided an opportunity for the Prime Minister to have some kind of Cabinet change. I do not know whether Mr Barnard or the Prime Minister initiated this move at this time but Mr Barnard seems to have had an earlier promise.

The Prime Minister has been somewhat restless about his Cabinet for some time and I believe would have preferred a "spill", that is to say, a decision by Caucus to put all positions back into the melting pot - to elect a new Cabinet. However, he has not been able to achieve this and has used the Barnard retirement and some other developments to re-organise his Cabinet in what appears to be a very significant way.

A number of factors had weakened the position of Dr Cairns. These included the continuing Morosi Affair, but also a decline in his Caucus support due apparently to the Treasurer's unwillingness to have much contact with the backbenchers who had previously been his support, and an inability on his part to face up to refusals of requests for additional expenditure in the Governmental sector. Finally a crisis which had developed involving an authority Dr Cairns had given to a friend to seek public funds abroad gave the opportunity to the Prime Minister, when taken with all other factors to remove Dr Cairns from the Treasury. The Prime Minister has said publicly that the last matter alone resulted in Dr Cairns removal.

There is a serious political argument in the country at the present time because of so called authorities given to at least two people to explore the availability of overseas funds, especially petro dollars. So far as Dr Cairns is concerned, there is a dispute about the nature of the letters

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he wrote to his friend. It is claimed on his behalf that they did not give any authority to bind the Commonwealth and I have no doubt that this is true. It is however asserted that the letters did state that if a loan were ultimately arranged as a result of an "introduction" commission would be payable. The truth of all of this will doubtless come out during the present week when an investigation is concluded. This incident has had a serious side effect on the Permanent Head of the Treasury, Sir Frederick Wheeler which I shall mention separately.

A combination of all of the factors mentioned above, which produced a decline in the political strength of Dr Cairns, enabled the Prime Minister to substitute another Treasurer even though Dr Cairns in his short term as Treasurer has not brought down a Budget and even though the Budget is due in a month or two. The Prime Minister obviously wants to adopt a different overall approach to economic policy than that espoused by Dr Cairns.

This new approach led him also to remove Mr Cameron as Minister for Labor and Immigration and to substitute Senator McClelland. These two changes at the Treasury and at the Ministry of Labor appear to foreshadow a stronger and a harder line both in Treasury matters and wages policy.

A very strong supporter of the Prime Minister, whom he admires very much has been sent to Manufacturing Industry - Mr Lionel Bowen. The Cabinet Member, Mr J. Riordan, who replaced Mr Barnard as the result of the Caucus election is on the right of Labor politics rather than the left. The changes as a whole have been interpreted as a move to moderation and as a "defeat" of the so called left. A harder Budget is expected and stronger efforts to deal with inflation and rapidly increasing wages.

Last Friday, 6 June, we had something of a crisis within a crisis because the Minister for Labor and Immigration, unlike all of the other Ministers involved in the "re-shuffle" (details are attached), refused to resign. All the others attended at Government House with their resignations tabled and all were willing to be sworn into their new portfolios. Certain new administrative arrangements had to be made by Executive Council decision, and all before their resignations were accepted attended the Executive Council meeting for the purpose of making those arrangements.

The only absentee was Mr Cameron, the Minister for Labor and Immigration who refused to resign. I was advised by the Prime Minister to terminate his commission and this advice was supported by appropriate legal and constitutional opinion. I accordingly terminated Mr Cameron's commission and he was not offered a portfolio in the new re-shuffled Government.

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It had been the intention of the Prime Minister to offer him the post of Minister of State for Science and Consumer Affairs but Mr Cameron took the view that he would not resign either voluntarily or, as he put it, under duress. He argued to the Prime Minister that I was not entitled to dismiss him on the advice of the Prime Minister without hearing him. This argument I understand, he put in a letter to the Prime Minister.

I took the view however, based on legal and constitutional advice, not only that I had the power to dismiss him, but that it was my duty to do so in the circumstances. I also concluded that it was my duty not to hear him because I could not possibly put myself in the position of being at the same time the recipient of inconsistent political advice from two Ministers. Having dismissed the Minister for Labor and Immigration the portfolio that would have been allotted to him was allocated, together with Defence to Mr Morrison.

It had been clear that Mr Cameron, on legal advice doubtless, was preparing for an attack upon my decision to remove him from office. His ground would have been that he had been denied natural justice. Such an issue could not have been justiciable in the courts and according to my advice, and in my own opinion, his point was untenable.

Once he realised that he was out of the Government altogether, and once he had listened to the advice of some of his friends in the Government, he decided to give in. He came to Government House with the Prime Minister and accepted the portfolio of Science and Consumer Affairs from which Mr Morrison resigned a couple of hours after having been sworn in. I appointed Mr Cameron to that portfolio on the Prime Minister's advice. He took the oath of office and now occupies that position.

Many of the unions were most unhappy about his removal from the Labor portfolio. The left-wing unions are, for the time being at least, uneasy about Senator McClelland in this office and politics on the Labor side are somewhat volatile because of fear of a hard line on wages policy. It is also thought to be likely that Labor may lose the by-election for Mr Barnard's old seat, but it is early to come to such a conclusion.

It remains to be seen how the Opposition will react to the developments on the Labor side of politics. Mr Fraser had been taking the view that supply would not be denied and

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that Parliament would probably see out its term. However, there is a very mixed situation here at the present time. I may say that throughout the whole period of my Governor-Generalship, which now extends over eleven months, the political situation in the country has remained if not unstable, at least very fluent. It makes life reasonably interesting.

At the risk of sending too much detail I shall add something in a separate letter about some of the bureaucratic implications of what has happened.

Would you kindly assure Her Majesty of my continued loyalty and humble duty. I shall endeavour to keep Her in the picture on the political side.

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

PERSONAL AND CONFIDENTIAL



6 June 1975

HIS Excellency the Governor-General directs it to be notified for general information that he has been pleased to accept the resignation of:

The Honourable Jim Cairns, M.P., as Treasurer;  
The Honourable Bill Hayden, M.P., as Minister for Social Security;  
Senator the Honourable Douglas McClelland, as Minister for the Media;  
The Honourable L.H. Barnard, as Minister for Defence;  
The Honourable Rex Patterson, M.P., as Minister for Northern Development and Minister for the Northern Territory;  
The Honourable Lionel F. Bowen, M.P., as Special Minister of State;  
The Honourable Les Johnson, M.P., as Minister for Housing and Construction;  
The Honourable Kep Enderby, Q.C., M.P., as Minister for Police and Customs;  
Senator the Honourable J.R. McClelland, as Minister for Manufacturing Industry;  
The Honourable Moss Cass, M.P., as Minister for Environment;  
Senator the Honourable J.L. Cavanagh, as Minister for Aboriginal Affairs;  
The Honourable W.L. Morrison, M.P., as Minister for Science

and has determined the appointment of the Honourable Clyde R. Cameron, M.P., as Minister for Labor and Immigration.

HIS Excellency the Governor-General directs it to be notified for general information that he has been pleased to direct and appoint the following Members of the Federal Executive Council to hold the offices mentioned in connection with their respective names, and to administer the Departments of State connected with such offices, namely:

The Honourable Jim Cairns, M.P., Minister for Environment;  
The Honourable Bill Hayden, M.P., Treasurer;  
Senator the Honourable Douglas McClelland, Special Minister of State;  
The Honourable Rex Patterson, M.P., Minister for Northern Australia;  
The Honourable Lionel F. Bowen, M.P., Minister for Manufacturing Industry;  
Senator the Honourable John Wheeldon, Minister for Social Security;  
The Honourable Les Johnson, M.P., Minister for Aboriginal Affairs;  
Senator the Honourable J.R. McClelland, Minister for Labor and Immigration;  
The Honourable Moss Cass, M.P., Minister for the Media;  
Senator the Honourable J.L. Cavanagh, Minister for Police and Customs;  
The Honourable W.L. Morrison, M.P., Minister for Defence and Minister for Science and Consumer Affairs;  
The Honourable J.M. Riordan, M.P., Minister for Housing and Construction.

Extract from Australian Government Gazette No. S106 of Friday,

6 June 1975

HIS Excellency the Governor-General directs it to be notified, for general information, that he has been pleased to accept the resignation of the Honourable William Lawrence Morrison, M.P., as Minister for Science and Consumer Affairs.

HIS Excellency the Governor-General directs it to be notified, for general information, that he has been pleased to direct and appoint the Honourable Clyde Robert Cameron, M.P., a Member of the Federal Executive Council, to hold office of Minister for Science and Consumer Affairs and to administer the Department connected with that office.

Admiralty House,  
Sydney. 2000.

11 June 1975.

The Ministerial Changes and Top Public Servants

This is a background note which is probably too detailed for The Queen but may help you to understand the atmosphere here at the moment. It goes without saying that if you think Her Majesty would be interested it is really for her. I am concerned about the detail - that is all.

The Prime Minister has not been happy with the Permanent Head of the Treasury. Sir Frederick Wheeler was long ago a protégé of the Labour Prime Minister Mr Chifley. He was exiled for many years by Sir Robert Menzies, serving abroad at the International Labour Office. He was finally brought back to Australia and made Chairman of the Public Service Board. This happened in the days of the previous Government under which he was also, in due course, appointed Permanent Head of the Treasury.

There has been a lot of difficulty about economic policy and a lot of difference of opinion amongst leading Cabinet members. This has led to some public criticism of the Treasury including criticism by the Prime Minister. Some little time ago it was the intention of the Prime Minister to offer Sir Frederick Wheeler the post of Chairman of the Reserve Bank Board. He publicly said yesterday that he had offered this post to Sir Frederick and Sir Frederick had declined it.

The trouble which arose over the Cairns letters about overseas funds has adversely affected Sir Frederick Wheeler. Sir Frederick apparently obtained copies of the relevant letters which it is asserted by Dr Cairns were taken by someone from Dr Cairns' private ministerial file. The Prime Minister says that Sir Frederick obtained a legal opinion about those letters from the Permanent Head of the Attorney-General's Department without telling either the Acting Treasurer, Mr Haydon, Dr Cairns being abroad, or the Prime Minister.

The Prime Minister appears to be of the view that although the letters justified the removal of Dr Cairns from the Treasury, Sir Frederick's actions in relation to the letters warrants serious criticism because of his failure to consult the Prime Minister or the Acting Treasurer and perhaps, though this is not yet known, because of the method

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by which they came to his hands. There is a serious possibility of Sir Frederick being removed from the Treasury though this may be dressed up in some overall re-organisation of the Treasury itself. Nevertheless Sir Frederick, who is a tough, experienced and able man may well survive.

I have referred in another letter to the administrative arrangements involved in the ministerial changes. One of these arrangements was to take a significant section of the Commonwealth Scientific and Industrial Research Organisation, namely that dealing with energy research, away from the C.S.I.R.O. and to give it to the Department of Minerals and Energy of which Mr Connor is the Minister and Sir Lenox Hewitt the Permanent Head.

Sir Lenox Hewitt has been a controversial figure in Australian political life for some time. Prime Minister Gorton removed Sir John Bunting from his position as head of the Prime Minister's Department and substituted Sir Lenox Hewitt. Later, Prime Minister McMahon put Sir John Bunting back and Sir Lenox Hewitt went to a junior ministry.

In due course under the present Government he became the Permanent Head in Mr Connor's Department. Mr Connor is a very strong Minister whose position in Caucus has been impregnable, and who asserts vigorous control over all energy matters. There was a possibility, at an earlier point of time, that if Sir Frederick Wheeler left the Treasury, Sir Lenox Hewitt might have been appointed there. This does not seem to be likely.

The recent change in the Commonwealth Scientific and Industrial Research Organisation, has caused its Chairman Dr Price much concern, and he is apparently very resentful about it. In a letter which accompanies this, in which I deal with the Order of Australia I inform you that this morning Dr Price has withdrawn his acceptance of an award in the Order of Australia because of his attitude to what the Government has done.

Sir Arthur Tange is the Head of the Department of Defence. He was for many years the Permanent Head of what was then called the Department of External Affairs, now the Department of Foreign Affairs. In those days, one of his relatively junior officers was Mr Morrison who has now become Minister for Defence. Press gossip says that the two men, the new Minister and his Permanent Head, do not like one another because of past differences and that there is a real possibility that Sir Arthur may resign. This does

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not seem likely to me, but I mention it as part of my description of the bureaucratic uneasiness which has been a feature of life in Canberra for some time.

The Prime Minister is undoubtedly considering changes of some kind at the top of the Public Service. Exactly what they are will become apparent fairly soon.

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

P.S. Another attack on Sir Frederick Wheeler was made in the Senate last night by the Minister for Labour because of his use of Scotland Yard to investigate a person involved in another big petro dollar crisis - If this builds up I shall let you know.

Admiralty House,  
Sydney. 2000.

11 June 1975.

Papua New Guinea

I am still not in a position to indicate with any firmness, the timing of independence in New Guinea. Naturally everyone here is a little diffident about putting a date down for this until matters have finally been settled in Papua New Guinea itself, but as I have previously said, mid September now seems to be not a possibility. Mid October is much more likely, but even that I suppose must have an element of doubt for the time being.

There is a constitutional point still to be faced up to up there. They have not yet actually got their Constitution in a form which gives to Her Majesty her proper style and title. To attend to this it will be necessary to arrange an amendment that describes Her in the appropriate place as Queen of Papua New Guinea as Her style and title, though elsewhere in the Constitution she will probably be described as Head of State.

You will doubtless be receiving the details of this through the other channel by which this matter is being, for convenience, handled, but I shall make such observations on the matter as appear to be helpful as and when the occasion arises.

I have heard that it has been stated from New Guinea, that someone has heard that His Royal Highness, the Prince of Wales will be undertaking a Naval course which would clash with an October date. I have assumed however that your letter of 16th May is still to be taken as an indication that mid October would be reasonably appropriate for a visit by him for Independence celebrations if that date can be achieved in New Guinea. Some are doubtful whether finality can be reached even by mid-October.

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



BUCKINGHAM PALACE

PERSONAL AND  
CONFIDENTIAL

3rd June, 1975.

*Dear Governor General*

Thank you so much for your letter of 26th May which The Queen has read with much interest.

Her Majesty has, of course, now had a full account from The Princess Anne about her visit to Australia and knows from her how much she and Captain Mark Phillips enjoyed their time with you in Canberra and, indeed, everywhere they went.

In so far as Papua New Guinea is concerned, I think everything looks all right from our end. I understand that there has been a certain amount of political and student criticism of Mr. Somare's intention to ask The Queen to become Head of State, but I am assured by Australia House that there is no great substance in it. I am sure that you, and Her Majesty's Australian Ministers will keep a watchful eye on the situation as it develops.

I am glad that the Council of the Order of Australia have made such a satisfactory start under the Chairmanship of Sir Garfield and I look forward to seeing the first list.

We are all looking forward here to receiving David Smith and I hope very much that he will have a useful time when he is in England.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.

Government House,  
Canberra. 2600.

30 May 1975.

*My Dear Private Secretary*

I refer to our previous correspondence on the possible attendance of His Royal Highness, The Prince of Wales for the Independence Celebrations in Papua New Guinea.

There has been a slight delay in the debate in the House of Representatives which makes it more likely that the date of Independence Celebrations will be in the middle of October rather than the middle of September. The debate is still proceeding in the House of Assembly and it is not yet possible to be firm about dates. There is to be a short adjournment till 23rd June when it will become clear what is to happen. This delay has been forced upon the Chief Minister by the Opposition and other elements but does not mean that he will not prevail upon the Head of State question. The Australian Government is most anxious for the whole matter to be finalised later this year.

There is concern here that if the decision is delayed until early 1976, it could get mixed up with an election which has to be held in the early months of 1976 for the Papua New Guinea House of Assembly.

The risk is that it may suit some interests in Papua New Guinea to try to delay Independence so that the question of Independence can be an issue in the Election.

The Australian Government would want to avoid this and will be doing everything it can to impress upon the Chief Minister and the Government, the need to reach finality soon. I will be keeping you in the picture but as things stand, mid October looks reasonably good. How soon will you need to know in order to have matters clarified in London?

Please assure Her Majesty of my continued loyalty and humble duty.

P.S. The enclosed press cutting indicates how fluid things are at the moment.

*Yours sincerely*  
*John R. Keir*

Lieutenant Colonel the Right Honourable Sir  
Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND



*Australian*

*Saturday 31-5-75*

# PNG may have early elections

From ANN HARDING in  
PORT MORESBY

PAPUA New Guinea may face new elections before the granting of independence, following this week's defeat of the Government in the National Constituent Assembly.

The Constituent Assembly — a body whose membership is identical with that of the House of Assembly (the PNG Parliament), but which is limited to dealing with preparation of a constitution for an independent Papua New Guinea — on Thursday voted against the Government to extend debate on the constitution to a further session.

Six government backbenchers and a minister voted with the Opposition to defeat the Government 48-44, effectively preventing the plan of the Chief Minister, Mr Somare, to an-

nounce an early date for independence.

The Opposition takes a conservative view, that Papua New Guinea is being hurried into independence and believes it should be deferred as long as possible.

Further defeats for the Government are now likely when the Constituent Assembly next week votes on clauses of the draft constitution.

If Mr Somare then loses his temper again as he did in the House on Thursday, he may decide to test public confidence by advising the Australian High Commissioner to call a new election.

The Leader of the Opposition, Mr Tel Abal, said in Port Moresby yesterday Australia

would be acting disgracefully if it co-operated with the PNG Government to bring about an early election against the wishes of the Constituent Assembly.

He said it was rumored that the Australian Prime Minister, Mr Whitlam, had been asked to do this if the Constituent Assembly made the PNG Government's timetable for independence impossible.

Mr Abal said Thursday's vote made it clear that the Government no longer had a majority in the Assembly. The proper course would be for the High Commissioner to ask Mr Somare to reconvene the House and find out if it wanted a new election.

"I am perfectly prepared to take over the Government immediately," Mr Abal said.

"In fact, I consider that it is the Opposition's duty in the present circumstances to become the Government.

"The Government no longer truly represents the people but the interests of a few selfish and ambitious people."

Yesterday Mr Somare made a bitter personal attack on the leaders of the opposition Nationalist Pressure Group, then said: "I am sick and tired of the way things are going . . . the time has come when we are being confused all the time."

The last date mentioned for independence was September 20, 1975.

The next elections were expected in February 1976, four years after the last ones.

Admiralty House,  
Sydney. 2000.

26 May 1975.

*My dear Private Secretary,*

Thank you for your two recent letters. I am very happy about Her Majesty's reaction to my marriage. I had very pleasant messages also from Her Royal Highness the Princess Anne and Captain Mark Phillips and also a couple of days ago from His Royal Highness the Prince of Wales. I look forward to having an opportunity in the not too distant future to present my wife to The Queen. There was some discussion in the Press about the grant of an expedited hearing to my wife. Bunting knows a little of the background.

On the question of the Monarchy in Papua New Guinea, I am not up to date as I have just returned from New Zealand, but I was kept fully in the picture whilst there and suggested that the matter should be brought to Her Majesty's attention officially by asking Sir John Bunting to take the necessary steps, rather than to explain the whole background to the Administrator and pass the detailed developments on through him. I hope this worked out satisfactorily. Normally of course, we would not operate in this way.

According to the Press, the debate in the Assembly on the Constitution has been extended for a week. There has been some newspaper discussion about The Queen being the Head of State, and the impression given is that this will go through the House comfortably.

I am returning from Admiralty House to Government House tomorrow and will get myself brought up to date. I note what you say about October being more convenient to the Prince of Wales and will do what I can to produce a convenient date. However, I gather from your letter that if mid September were especially important to the Government of Papua New Guinea, it might not be completely out of the question.

You are to let me know how things look from your end. The Australian Government obviously had to face up to giving Her Majesty proper advice as Queen of Australia and there was no difficulty in organising this. If I may say so, with very great respect, I

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much appreciate the way in which Her Majesty has felt able to look at the Papua New Guinea problem. I appreciate of course, her enormous experience with similar situations in other countries which have reached independence.

It is too early to express a prediction about the future, but having been recently to Papua New Guinea, Fiji, and New Zealand, the position of the Monarchy in all four countries is a matter that could be given some thought and attention. There is a very great store of sentiment and loyalty. The South West Pacific is a big place dominated by the four countries which are now all to be Monarchies under The Queen, at least for the next few years until Papua New Guinea makes up its mind finally.

If some kind of friendly brotherhood can be maintained between the four Governor's-General, the results might, from the point of view of the Monarch, be not unhelpful but there are many delicacies involved.

As to the Order of Australia, the first attack upon the list of proposed recipients of awards was admirably handled by Sir Garfield as Chairman. All members of the Council co-operated with enthusiasm and understanding. The Member nominated by the Government of New South Wales was not able to be present as he was overseas.

As it turned out, all the nominees of States were particularly helpful, obviously accepting the confidentiality of the Order and tackled the task of making it a true order of merit. Sir Garfield and my nominees gave a fine lead. We shall by no means be filling the quotas for the first list. As soon as I possibly can I shall be in touch with Her Majesty as to the recommendations. It will probably be necessary to issue some kind of statement indicating the level at which, by comparison with various British Honours, the Australian Awards are to rank in Australia and Sir Garfield is to make a press statement about the way the Order is working, so far as the Council is concerned. I shall send a copy.

May I take the opportunity of thanking you and Mr Heseltine for your personal good wishes to me on the occasion of my marriage. The fact is that what you said about The Queen's reaction has been undoubtedly true. It has been enormously difficult to carry on without a wife to help me. I am very lucky indeed to have someone who is at home in the environment and work of Government House and its responsibilities.

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This note comes from Admiralty House as I said.  
When I get in touch with political and other developments  
in Canberra I shall write again.

Yours sincerely,

JOHN R. KERR

Lieutenant Colonel the Right Honourable Sir Martin  
Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON ENGLAND

PERSONAL AND CONFIDENTIAL



NOTES OF THE GOVERNOR-GENERAL OF AUSTRALIA

ON HIS VISIT TO FIJI AND NEW ZEALAND

12 TO 24 MAY 1975

1. These two visits were different in some respects from my previous visits to Nepal, India, Pakistan, Afghanistan, Iran and Papua New Guinea. There was in each place far less general discussion about background matters involved in relations between Australia and Fiji and New Zealand.

2. This I expected, first because the visit to New Zealand was conceived by His Excellency Sir Denis Blundell as being rather a goodwill personal visit, and was organised to include some pleasant sightseeing and various types of official occasions such as Civic Receptions.

3. In Fiji, the absence of Ratu Sir Kamaisese Mara in Jamaica left what was very much a second level team in Fiji. Nevertheless, so far as Fiji was concerned hospitality and arrangements were, allowing for the inevitable "Pacific" approach to timing and details, very pleasant indeed.

4. His Excellency Ratu Sir George Cakobau was a pleasant host. He arranged two small dinner parties and a large luncheon. The Acting Prime Minister called and discussed, for about three quarters of an hour, some aspects of Australian/Fiji relations.

5. He raised the matters that he wanted to mention and I listened, asking an occasional question. The thing most on his mind appeared to be the attitude of Australian Trade Unions to internal Fijian affairs. The background to all of this is well known to the High Commissioner who was present at the talks and to the Department of Foreign Affairs.

6. It appears that there is a Union Official in Fiji who regards himself as being closely associated with persons of power and influence in Australia and it was said that from time to time he indicated that he could enlist their aid.

7. The Acting Prime Minister at no stage suggested to me that he believed that the Trade Union Official did have the influence that he claimed but nevertheless left it to be implied that the authorities in Fiji were a little concerned that Australian Trade Unions might be brought into internal dispute situations in Fiji.

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8. The only other matter of any significance which was raised had to do with what I believe is called "The Guest Worker" situation, but I did not judge that this looms very large. On various occasions I had opportunities to talk to the Attorney-General, the Chief Justice, and others and these talks were useful and pleasant.

9. I was accorded respectful treatment everywhere and the high honours normally offered to visiting dignitaries. The element that was missing was the contribution that could have been made by the Prime Minister himself. I was well briefed of course, about the Fijian attitudes to Australia. It would have been interesting to see how these expressed themselves had the Prime Minister been present during the visit, but his presence in Jamaica and his later programme made it impossible for him to be in Fiji whilst I was there.

10. The High Commissioner helped considerably to overcome the minor problems that arose because of the lack of experience in Fiji in the handling of a State Visit of the kind being undertaken by me, and I appreciated what he did.

11. The Governor-General attended on all occasions including the dinner given by the High Commissioner. The Acting Prime Minister also always attended. He was present both at my welcome and departure. He participated in the ceremony after my arrival, gave a reception at the Victoria Barracks in my honour, attended the Governor-General's luncheon and also the dinner arranged by the High Commissioner.

12. On the latter occasion, he gave a present to me on behalf of his Government and made a pleasant and interesting speech. I mention these matters because what was done was in line with the kind of things that happened in other countries I have visited, the only difference being that the conversations were not so interesting and informative. This, as I have indicated, was almost certainly due to the absence of the Prime Minister. It will be seen that there was quite a contrast between what happened in Fiji and what happened in New Zealand.

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13. So far as New Zealand was concerned, the hospitality and kindness of Their Excellencies, Sir Denis and Lady Blundell was most marked, and I enjoyed my stay with them.

14. Sir Denis came to Auckland for a farewell luncheon and the departure ceremonies. The attitude of the Prime Minister was quite different. It was not that he was unfriendly on the few occasions when I saw him. He certainly had the excuse that his Party was holding its Annual Conference, but I feel there was no doubt that he was himself adopting a very "low key" approach to my visit. He was present at the welcome at the

airport, made a short call for a quarter of an hour that afternoon, during which nothing of any significance was discussed, attended the Governor-General's dinner that evening, but arrived very late just in time to be seated. This was the last I saw of him. He did not come to Auckland for any of the farewell activities. He had himself decided that the farewell banquet by the New Zealand Government should be in Auckland but the host at that banquet was Mr Faulkner, the Minister for Labour who is number four on their Cabinet list. I was given no explanation and certainly no apology for the absence of the Prime Minister from his own Government's banquet. His party conference was over. My staff enquired about the reason but no one was able to give an explanation. I was told the Prime Minister would ring to explain. He did ring but simply said he would not be there giving no reason or regrets. I found this a little puzzling as I had, at some inconvenience held a protocol dinner for him and his wife at Government House Canberra during his short visit.

15. I have had the advantage of reading the despatch sent by the High Commissioner for Australia prior to Mr Rowlings visit here recently and had a discussion with Sir Denis Blundell on a personal basis. Sir Denis rather tended to confirm in a diplomatic way that the Prime Minister was somewhat inexperienced in handling these matters, rather off-hand in his approach to Australians, and that one should not draw any conclusions about the attitudes of New Zealand to Australia or to myself from the rather perfunctory approach of the Prime Minister to the visit.

16. I accepted what Sir Denis said and told him that I was mentioning the matter on a very personal basis only in case there was something that I ought to know so that I could decide whether any kind of action on my part might be necessary to cope with any conceivable problem that might exist. Sir Denis stressed the point that I should not be worried at all about the Prime Minister's approach to these things, and certainly everyone else in New Zealand at all functions and on all occasions extended the most cordial hospitality and as far as I could judge, everything went very happily.

17. The two functions in the High Commissioner's residence, one at which I met Australians in the morning before lunch and the other a dinner for a considerable number of leading citizens were most successful happy occasions.

18. I have felt it proper to indicate in broad outline what happened so far as the Prime Minister was concerned. I am inclined to think that he has it in mind rather to write down the position of his own Governor-General and one reason why his approach was somewhat muted might well have been to make the point that he does not have it in mind that there should be very much in the way of overseas visits by the New Zealand Governor-General. I also have a feeling that the Prime Minister may feel that with Papua New Guinea moving to independence and a

monarchical constitution and close friendship with Australia and with Australia so strong in Fiji and New Zealand we may be too dominant as he sees things.

19. Of course I may be wrong about this and it may be a matter upon which advice could be otherwise obtained. I detected in New Zealand a fairly widespread sensitivity or inferiority complex about Australia and Australians. They are very fond of us. They love to make teasing jokes and make the occasional derogatory remark about our convict origins and they appear to have a feeling of mild jealousy or resentment about our growing wealth and power by comparison with their own.

20. They are very dependent upon us for tourist income and worry about their trade relations. They want to be helped in various ways and all this seems to induce a slightly irrational quality which does not, I believe, affect the basic friendship and goodwill between the two countries and their peoples but is nevertheless quite detectable.

21. I should be grateful to be given an assessment of Mr Rowling's attitude to us and to my visit.

22. I was well briefed about Australia/New Zealand relations but kept off the details even with Sir Denis Blundell.

23. The visit to New Zealand was basically a happy goodwill, friendly occasion and most enjoyable. It was marred only by what I have said about the indifference of the Prime Minister to what was happening.





BUCKINGHAM PALACE

Personal and  
Confidential

16th May, 1975.

*Dear Governor-General*

Will you please refer to my letter of 5th May in which I told you I thought that if The Prince of Wales is invited to represent The Queen at the Independence celebrations of Papua New Guinea it would be preferable, from the point of view of His Royal Highness, for the celebrations to take place in mid-October rather than in September.

I have been into this matter further and am now writing to confirm that it would be very much more convenient, from Prince Charles's point of view, to come to Papua New Guinea in the middle of October rather than in the middle of September.

For your own information, he is expecting to visit India during the latter half of October and it would therefore suit him very well to come to Papua New Guinea before that. Anything, therefore, that can be done to guide taste towards choosing the middle of October for Independence rather than the middle of September would be very welcome.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.

Personal and  
Confidential



Government House,  
Hong Kong,  
5th May, 1975.

*Dear Governor General*

Many thanks for your letter of 21st April about Papua New Guinea. Since your letter was despatched you, will, of course, know that The Queen has received an approach from the Australian Government acting on behalf of Michael Somare, offering her the Crown of Papua New Guinea on that country becoming Independent. I had a number of discussions about this with Jack Bunting before we left for Jamaica and have been assured by him that you have been kept fully in the picture.

Our main concern at this end was that The Queen should receive positive advice from her Australian Ministers whether or not to accept the offer. We held that a "no objection" formula was inadequate.

I understand that Australian Ministers are now agreeable to giving "advice" and it is also accepted that if the advice they give is positive this will imply, without there being any need to state it in black and white, that the Constitution finally adopted by the Papua New Guinean Constituent Assembly has nothing in it which would make it inappropriate for The Queen of Australia to become the Head of State.

From a personal point of view, The Queen herself is well content with the proposition. I do not think it matters at all that Papua New Guinea may wish to change to a Republican Constitution after a few years. Many ex British Colonies have travelled this

path and I have no doubt that it is an honourable function of the Monarchy to provide a "canopy" beneath which newly Independent Countries can find their feet and make up their minds, with the experience of Independence, how exactly they wish their final Constitution to be framed.

Your letter was most interesting and, of course, has been read by The Queen. I think Papua New Guinea's wish to have The Queen as Head of State is really a very encouraging development.

There would be no possibility of Her Majesty herself attending the Independence Celebrations. Apart from time and space considerations, The Queen has never attended an Independence Celebration and I do not believe it would be right for her to do so. On the other hand The Queen is favourably disposed to The Prince of Wales acting as her representative if this can reasonably be arranged in relation to his naval duties and other commitments.

For various reasons, I think that mid October would be better from Prince Charles's point of view than mid September but I am investigating this further and will write again as soon as I have more information.

Yours sincerely  
Martin Charteris

His Excellency the Governor-General  
of Australia.

PERSONAL AND  
CONFIDENTIAL



Kahala Hilton Hotel,  
Honolulu,  
Hawaii,  
2nd May, 1975.

*Dear Governor General*

Many thanks for your letter of 23rd April with your full and interesting report on recent developments in the Order of Australia.

This matter is certainly engaging much of your time and energy but, if I may say so with respect, I think it may prove that your time and energy have been well spent, as it is obviously very important to get matters started as you wish them to continue.

The Queen read your letter with interest and was not unamused by the business of the nominations by State Premiers of those to serve on the Council of the Order. It will be a great pity if the representatives of the dissenting States fail to co-operate genuinely in this Council, and I can also understand that, life being what it is, it may prove difficult for officials from the offices of Premiers to observe the necessary confidentiality in so far as their bosses are concerned. I fully recognize your reasons for concern at the State nominations; on the other hand, you will undoubtedly get excellent support from Sir Garfield and those you have yourself nominated.

The Queen was glad to read about the arrival of Princess Anne and Captain Mark Phillips in your letter, and is grateful to you for the care you are taking of them.

I hope I may take the opportunity of this letter to say that I know how pleased The Queen was to hear about your marriage, not only because it ensures

your personal happiness, but also because no one ought to be asked to carry the burdens of your office without a wife to help him.

In fact, because we were in Jamaica, your letter only arrived on the same day that I got David Smith's telegram. Her Majesty was nonetheless grateful to you for having written.

The news of your marriage has also given much satisfaction to those in the Household as well as Bill Heseltine and myself who know you.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.

23 April 1975.

*My dear Private Secretary,*

The purpose of this letter is to give an account of developments to date in the Order of Australia. The Council of the Order is now fully constituted and consists of the following persons:-

(1) Those nominated by office in the Constitution of the Order:-

The Right Honourable Sir Garfield Barwick, G.C.M.G.,  
Chief Justice of Australia, Chairman of the Council;

The Honourable F.E. Stewart, M.P.,  
Vice-President of the Federal Executive Council;

Admiral Sir Victor Smith, K.B.E., C.B., D.S.C.,  
Chairman, Chiefs of Staff Committee;

Mr P.J. Lawler, O.B.E.,  
Secretary, Department of the Special Minister of  
State.

(2) Those nominated by the States:-

Mr B.R. Davies,  
Under-Secretary, Premier's Department, New South Wales;

Major-General K.D. Green, O.B.E., E.D.,  
Secretary, Premier's Department, Victoria;

Mr J.N. Holland,  
Chief Administrative Officer, Premier's Department,  
South Australia;

Mr R.B. Ward, M.V.O.,  
Under-Secretary, Premier's and Chief Secretary's  
Department, Tasmania.

Mr Keith Spann,  
Under-Secretary, Premier's Department, Queensland.

.../2

(3) Those appointed by me:-

The Honourable Sir David Brand, K.C.M.G., M.L.A.,  
Former Premier of Western Australia;

Miss Judy Cassab, C.B.E.,  
Artist (Sydney);

Mr Andrew Grimwade,  
Industrialist and Grazier (Melbourne);

Sir James Vernon, C.B.E.,  
Industrialist and Businessman (Sydney).

On 17 February 1975 I wrote to the State Governors asking them if they would arrange for nominations to be made by their respective State Premiers. The Premier of Western Australia, through the Lieutenant-Governor and Administrator of that State, replied on 7 March saying that he did not intend to nominate anyone for the Council. On 4 April I replied to him on the basis that the position which he would have had an opportunity to fill had now been filled by me. The step I took was to ask Sir David Brand, a former Leader of the Liberal Party in Western Australia and a former Premier of that State, if he would accept an appointment by me to the Council and he said that he would.

On 7 April the Cabinet apparently met in Western Australia and attempted to fill the vacancy which they assumed existed, not having yet received my letter of 4 April telling them that I had filled the vacancy.

The Government of Western Australia accepted without any further problems the situation which had been produced by their earlier refusal to nominate.

Queensland and Victoria made the nominations set out above. New South Wales failed to reply and I was just about to make a nomination to the Council on the assumption that their failure amounted to a decision not to avail themselves of the opportunity given to them under the Constitution of the Order when I heard that they wanted a little time to consider the matter and asked if I would be prepared to leave it outstanding until 8 April when they would have a Cabinet meeting and would be able to decide their policy. I agreed to this.

Those States which did nominate members for the Council have all nominated senior public servants - generally the Permanent Heads of their Premier's Department. They are all persons who have an intimate knowledge of the operation of the British Honours system.

In my view it is a pity that this happened because it gives the Council a heavily bureaucratic character. There is, however, an even more important problem which I shall mention later.

So far as my own nominations are concerned I attach biographical details of the four persons nominated. I proceeded on the assumption that with a strong and able Chairman, and we certainly have this in Sir Garfield Barwick, he would need some strong men of wide experience to help him get things done properly on a Council constituted as set out above.

I am sure Sir David Brand will be a help. He is a man of wide experience and knows the political scene very well. He will, I believe, co-operate with Sir Garfield.

Sir James Vernon is a very distinguished Australian who has advised governments of all political shades of opinion on matters of policy. He is in retirement but very busy with many important activities including the Australia-Japan Businessmen's Committee. I know him quite well and he is a leader.

Mr Andrew Grimwade is a younger man, who has also advised the Government on various matters. The Grimwade family has just made available to the Governor-General their old family home in Melbourne as a Melbourne residence. The details of this I shall let you have later. Mr Grimwade comes from one of the old Melbourne families, is a very balanced and sensible person and will be a great help.

Miss Judy Cassab is a painter, a migrant and of course a woman and I have every reason to believe she will make a very important contribution to the working of the Council.

The first meeting of the Council is to take place on 9 May in Canberra and it will then consider both broad matters of policy relevant to the selection of people to be nominated as well as the actual nominations which, by then, will have been made. The closing date for nominations has been fixed, namely 28 April, and a considerable number are flowing in.

The four States which have governments of the opposite political persuasion to the present Australian Government appear to have come to an agreement amongst themselves which has been carried out in all cases except Western Australia, where it was prevented from happening by their own previous decision, to nominate a top public servant to the Council with a kind of watching brief. One Premier has said this to the Press. They have all said that they do not propose to make nominations for an award in the Order of Australia, but they appear to want to have it both ways - to oppose the Order and to have nominees on its Council who will fail to co-operate genuinely within it. An example of the kind of thing that



has been apparently said will be found in the attached newspaper clippings in which the Premier of New South Wales felt at liberty to say that he had nominated his Permanent Head in order to prevent me from appointing State Labor politicians to the Council.

My own view of the matter is that the persons nominated by the State Premiers, once nominated, become members of the Council and in that position must observe and undertake to observe the confidentiality of the Order.

For the meeting on 9 May it will be necessary to prepare and circulate to them detailed information about the nominations and I could not possibly tolerate their discussing those nominations with their Premiers or with anyone else, and I propose to say so in appropriately framed language.

I do not regard a person, once nominated to the Council, as being in a representative position bound to carry out the instructions of his Premier or bound to report to his Premier, and I propose to make it clear that if any member of the Council feels a conflict of duty between his position as a member of the Council and any other duty or interest which he has or believes that he has he should declare it and act in an appropriate fashion. It would be quite intolerable for the list of persons proposed for awards to be bandied around the Premier's offices of the various States.

I am hopeful that none of this will occur and I believe that Sir Garfield Barwick is undoubtedly the man to prevent it, if it can be prevented at all.

I was proposing to send with the documents which will be circulated to members of the Council for the meeting on 9 May a statement along the lines of the attached draft. It will be my intention as Chancellor to watch the way in which things develop and to do my best to produce co-operation from the States and from their Premiers.

It would be a great help to the Council if, upon the basis of total confidentiality, it could rely upon the people nominated by the State Governments to provide background information about persons nominated for awards who come from their State.

If the senior public servants nominated feel that they can do this on a strictly confidential basis and without discussing any of the persons nominated with their State Premiers or anyone else, the Council will be greatly helped. Sir Garfield will, of course, be working to produce this result and he will doubtless advise me as to how things are going in the Council.

I hope that we can proceed under our present Constitution in a sensible balanced co-operative and secret way. Sir Garfield is approaching the matter as being a most serious and important duty and with the intention of producing recommendations of persons of appropriate eminence and distinction whose selection will guarantee the quality and character of the Order. He will, of course, have my full support. No-one is to be recommended merely because he is the holder of an office, however important.

After we have got beyond the Birthday List we should be getting good publicity.

I attach for light reading a copy of an article in today's Bulletin written in satirical vein by Mr Ron Saw. This is the same journalist who did the piece on me a couple of months ago. I still feel that it was better for me to see him and try to produce a reasonable article leaving the Monarchy and the office of Governor-General out of the reach of his satire. The points which he raises in a satirical way all require attention and will receive it but everything cannot be done at once. The trouble has been the Prime Minister's urgent desire to get the Order established and get it operating at once with a Birthday List. This became his attitude once he had made up his mind to propose the new Order. It would have been easier for us all if he had been prepared to wait till next Australia Day for the first list. However, we shall cope with the outstanding questions and Sir Garfield and I between us, helped by the Council, will, I believe, produce a good result which will be in Her Majesty's hands in ample time.

As I dictate this Her Royal Highness The Princess Anne and Captain Mark Phillips are resting in the suite upstairs. I met them this morning at the airport. They will be having a very quiet day and I shall have my first opportunity for a conversation with them before dinner tonight.

Please assure Her Majesty that I shall endeavour to make their short visit here pleasant. They will be meeting a group of young people tomorrow at an informal luncheon.

I shall send a message of my personal loyalty and duty to Her Majesty through Her Royal Highness, as well as in the usual way.

Yours sincerely,

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.

CASSAB, Judy, C.B.E. 1969. Artist, Syd.: dau. of Imre Kaszab, Budapest; b. Aug. 15, 1920, Vienna; ed. Beregszasz, Budapest, Prague; exhibitions Macquarie Galleries 1953-55, Lond. 1959, 1961; won Perth prize 1955, *Women's Weekly* prize 1955-56, Archibald Prize 1961 & 1968; commsnd. 1962 by C'wealth Govt. to paint portrait of Queen Sirikit of Thailand during visit to Aust.; Helena Rubinstein Portrait Prize 1964 and 1965, Charles Lloyd Jones Memorial Prize 1966, 1971, 1972, 1973; rept. Nat. Galleries Canberra, Qld., S.A., Tas., Syd. & Perth, Rugby Museum, Nuffield Foundn., Musee des Beaux Arts Budapest, Nat. Portrait Gall. London, Newcastle City Art Gall., Bendigo City Art Gall.; m. Apr. 30, 1939, John Kampfner, 2 s.; *recreations*, music, writing; *address*, 156 Victoria Rd., Bellevue Hill, N.S.W., 2023.

VERNON, Sir James, Kt., cr. 1965, C.B.E. 1962, B.Sc. Syd., Ph.D. Lond., Hon. D.Sc. Syd. and Newcastle, F.R.A.C.I., Director C.S.R. Ltd., General Manager 1958-71; Chairman Martin Corporation Group Ltd., Director M.L.C. Ltd., Commercial Banking Co. of Syd. Ltd., United Telecasters Syd. Ltd.; son of Donald Vernon, Tamworth, N.S.W.; b. 1910; ed. Syd. Univ., Univ. Coll. Lond.; Chief Chemist C.S.R. 1938-51, Sar. Exec. Off. 1951-56, Asst. Gen. Mgr. 1956-57; Chrmn. C'wealth Cttee. of Economic Inquiry 1963-65, Post-Office Commission of Inquiry 1973-74; Chrmn. Mfg. Industries Advisory Cl., V-Pres. Aust. Industries Devel. Assn.; Chrmn. Australia-Japan Business Co-operation Cttee.; former Memb. Aust. Univs. Commsn. and Aust. Admin. Staff Coll. Cl.; Memb. Chase-Manhattan Bank Internat. Advis. Cttee.; awarded Leighton Medal Roy. Aust. Chem. Inst. 1965; John Storey Medal Aust. Inst. of Mgmt.; m. 1935, Mavis, d. C. Lonsdale Smith, 2 d.; *clubs*, Australian, Union, Roy. Syd. Golf; *address*, 27 Manning Rd., Double Bay, N.S.W., 2028.

BRAND, Hon. Sir David, K.C.M.G., cr. 1969, LL.D. (Hon.) W.A., Premier, Treasurer & Minister for Tourists W.A. 1959-71, Leader of Opposition 1971-72, M.L.A. (L.C.L.) Greenough, W.A., since 1945; son of late A. J. Brand, Dongara, W.A.; b. Aug. 1, 1912; ed. Mullewa Sch. W.A.; 2nd A.I.F. 1939-42; Volunteer Defence Force Instructor Geraldton, W.A., 1942; Jnr. Minister for Housing, Local Govt. & Forests 1949, Minister for Works & Water Supplies 1950-53, Leader of Opposition 1957-59; m. Mar. 12, 1944, Doris, d. H. McNeill, 2 s. 1 d.; *recreations*, golf, tennis; *club*, West Australian (Perth); *address*, Parliament House, Perth, W.A., 6000.

GRIMWADE, Andrew Sheppard, B.Sc. Melb., M.A. Oxon., F.R.A.C.I., F.Inst.D., F.A.I.M., Chemical Engineer & Grazier; Member Aust. Govt. Remuneration Tribunal since 1974, Trustee & Hon. Treasurer of National Gallery of Vic. since 1965; son of late F. S. Grimwade, Melb.; b. Nov. 26, 1930, Melb.; ed. M.C.E.G.S., Trinity Coll. Melb. Univ. (Howard Smith Exhibition Eng. 1949), Oriel Coll. Oxford; Swimming Blue Oxford 1953; Commsnd. R.A.A.F. Reserve 1954; Gen. Mgr. D.H.A. Rural Pty. Ltd. 1958-60; Mg. Dir. Carba Ind. Ltd. 1960-70; Chrmn. Coorong Pastoral Co. (Santa Gertrudis Stud), Kemtron Ltd. Group since 1964; Director Nat. Mutual Life Assn. of A'asia Ltd., C'wealth Industrial Gases Ltd., I.B.M. Australia Ltd., Cuming Smith & Co. Ltd., Nat. Bank of A'asia Ltd., Aust. Cons. Ind. Ltd., Sony Kemtron Pty. Ltd.; Aust. Delegate to E.D.I.A. Congress Berlin 1962, Brussels 1964, Helsinki 1968; Board Memb. Walter & Eliza Hall Inst. of Med. Research since 1963, Hon. Treas. since 1965; Memb. Cl. Nat. Gallery Socy. 1961-68, Cl. Inst. of Public Affairs; Memb. Aust. Govt. Trade Mission to China 1973; m. Oct. 23, 1959, Barbara G., d. J. B. D. Kater, 1 s.; *publication*, *Involvement* — Portraits of Clifton Pugh & Mark Strizic, 1969; *recreations*, skiing, Aust. art & books; *clubs*, Melbourne, Australian (Vic.), Roy. Melb. Golf, Peninsula Golf, Roy. Syd. Golf, Ski Club of Aust.; *address*, 8 Cole Ct., Toorak, Vic., 3142.

11. 4. 75

## NSW still objects to new honours

By JOHN O'HARA  
State Political  
Correspondent

The NSW Government will continue not to recognise the proposed new system of Australian honours to be introduced by the Federal Government.

This is despite the Under-Secretary of the Premier's Department, Mr B. Davies, joining a council which will recommend recipients of the new honours.

The Governor-General, Sir John Kerr, announced on Wednesday the membership of the council, with the Chief Justice of the High Court, Sir Garfield Barwick, as its chairman.

Heads of Premiers' Departments of other non-Labor States are also on the council.

State Government sources said yesterday that this did not mean any change in opposition by the non-Labor States to the new system.

It had been agreed to nominate the under-secretaries because, if this had not been done, the Governor-General would have been free to choose, if necessary, representatives of State Labor Oppositions.

# Names sought for honours

CANBERRA, Friday.

From IAN ERYKBERG

The Federal Government will advertise next week for nominations for its new Australian honours system.

The first awards under the system will be given on June 14 for the Queen's Birthday.

A Government spokesman confirmed today that advertisements would be placed in metropolitan and country newspapers. Nominations had been coming in "in a steady stream" but the Government wanted to ensure they did not come only from predictable quarters.

The advertisements were part of a campaign

to establish that nominations were not the sole prerogative of Governments, unlike the British system. It needed to be established that any person or organisation was entitled to put forward nominations.

The honours system, the Order of Australia, was announced on February 17 by the Governor-General Sir John Kerr. It provides for three degrees of membership and will be given for distinguished service.

The highest award, the Companion of the Order of Australia, will be given to a maximum of 20 people a

year. A total of 50 people will get the Officers of the Order award, and 125 will be Members of the Order.

The NSW Government representative on a council to recommend recipients of Australian honours has no authority to co-operate in the council's functions, the Premier, Mr. Lewis, said yesterday.

He is the under-secretary of the Premier's Department, Mr. B. Davies. He and other heads of Premier's departments of non-Labor States have been announced as members of the council.

SMH 16/4/75  
Half of  
honours  
selectors  
there  
for ride

By JOHN O'HARA,  
State Political  
Correspondent

Half of the Federal Government's committee to recommend recipients of the new Australian honours look like being unco-operative passengers.

These are the four heads of the Premiers' Departments of the non-Labor States of NSW, Victoria, Queensland and Western Australia.

The Governor-General, Sir John Kerr, announced their inclusion as members of the council last week.

At a press conference yesterday, the NSW Premier, Mr Lewis, confirmed that the under-secretary of the NSW Premiers' Department, Mr Davies, would exercise merely a "watching brief" on the council.

He said he believed that the heads of the three other non-Labor State Government Premiers' Departments would operate similarly.

All the non-Labor States have declared against acceptance of the Australian honours system being introduced by the Federal Government with approval of the Queen.

These States have announced they will adhere to the traditional system of honours bestowed directly by the Queen.

Mr Lewis said yesterday that the inclusion of Mr Davies and other representatives of other non-Labor States as members of the council recommending on Australian honours, would serve a practical purpose.

Fewer  
~~Australian~~  
awards  
16/4/75  
with new  
honors:  
Whitlam

THE Prime Minister, Mr Whitlam, said yesterday fewer awards would be handed out when the Order of Australia replaces the traditional honors system.

He was defending a series of advertisements taken out by the Council of the Order of Australia.

The advertisements call on members of the public to nominate the first recipients of the award.

"The new system belongs to the Australian people and it is important that it is open to people from all walks of life and from all parts of Australia," Mr Whitlam said.

It was no longer good enough to have recipients of national awards nominated by State Governments.

Replying to Mr H. J. Garrick (A.L.P., Vic), Mr Whitlam said in calling for public nominations, the Council of the Order of Australia was following a precedent set by Canada during its centenary year.

Names put  
16/4/75  
forward

Although it was too early to gauge any response to advertisements asking members of the public to nominate people for the new Australian honours system, there had been a stream of nominations since the awards were announced in February, a spokesman for the honours section at Government House said yesterday.

There had been about 100 nominations, of people who were prominent and people who were not.

The Order of Australia will have three sections, companion, officer and member. The spokesman said that although the award was only for Australian citizens, there was provision in the order's constitution for honorary awards to be made to non-citizens.

HONOURS IN CONFIDENCE

THE ORDER OF AUSTRALIA

This document is for the personal use of members of the Council for the Order of Australia. Its contents are confidential and must not be communicated to or discussed with any person.

HONOURS IN CONFIDENCE



## The unroyal order

The Secretary,  
Order of Australia,  
Government House,  
Canberra, ACT, 2600.

Dear Sir:

I see you're advertising for nominations for appointments, to your order — appointments, as you say, "for outstanding merit or achievement or for service in any field of endeavor in Australian life." Well, sir, I'm ready to nominate almost anybody who'll nominate me back. As a matter of fact, I'm ready to nominate myself, if the rules say it's okay; but before I give you details of my achievements I'd like to know just what I'll be getting myself into, what kind of company I'll be keeping and what kind of hardware goes with the appointment. But first, perhaps I should be quite frank with you.

I don't mind admitting that, in the matter of honors and decorations, I like things they way they are. I'm a nationalist to the point of chauvinism, but I'm also a royalist. This way I can have my cake and eat it: I can say the hell with the Poms but God Save the Queen and accept a knighthood any time. Offer me the title of Sir Ronald Saw and I'll have new cards and notepaper engraved at once. But offer me the style C. R. S. Saw, AC (or AO or AM) and I'll have to think about it pretty carefully.

I don't say I'll knock it back. One shouldn't be too hasty when there's a decoration involved. I rather like the idea of a handsome riband across my boiled shirt, or a badge under my white tie, or a star of some kind on my coat, or a discreet little ribbon or rosette on my lapel, in the manner of the Legion d'Honneur. But DO these things come with your order? And if they do, HOW do they come? I wouldn't want a green and gold riband. I'd feel like some Spanish-American diplomat, or a Test footballer in human clothing. Nor would I want a badge or a star encrusted with marsupials. I hasten to add that I have

every confidence in your abounding good taste, but I'd still like to be sure about these things.

And I — we — can't be sure until the council of your order meets early in May to decide what's what. Yet you ask for nominations by April 28. You will appreciate the difficulty presented by this timing. Can I, with a quiet conscience, nominate someone without being quite sure that I won't be covering his chest with candy-wrappers and enamelled wombats? Or platypuses? I daresay there are people who'd enjoy wearing platypus-figured medals, but in the present economic climate one would run the constant and harrowing risk of having the thing torn from one's chest and fed into a poker machine.

What of my Companions of the Order? (If it's all right I'll take the Companionship rather than pig it as an Officer or a Member.) Clearly they'll be, mostly, politicians and public servants. The membership of your council makes that pretty plain. So far you have 13 members. Your chairman, Sir Garfield Barwick, CJ, is a former Liberal Attorney-General and Minister for External Affairs. Five more are secretaries or under-secretaries of Premiers' Departments: R. B. Davies (NSW), Maj-Gen K. D. Green (Vic), J. N. Holland (SA), Keith Span (Qld) and R. and R. B. Ward (Tas). WA contributes its former Premier, Sir David Brand. There is Mr Frank Stewart, MP, Vice-President of the Federal Executive Council, and Mr P. J. Lawler, secretary to the Department of the Special Minister of State; and Sir Victor Smith, chairman of the Chiefs of Staff Committee; two industrialists, Sir James Vernon and Andrew Grimwade; and Miss Judy Cassab, the artist — and only she could be described as being neither public servant nor politician.

I am undismayed by this. It means simply that there are people enough to handle the traditional awards and appointments. There is Miss Cassab to introduce a little taste and to keep down the marsupials and candy-ribbons. And to the rest of us falls the duty of nominating those for non-bureaucratic appointment. I offer, then, my preliminary list:

**DIPLOMATIC:** Prince Leonard and Princess Shirley of Hutt, in recognition of their creation of a new and independent, and solvent, State in our very midst; and because they could well reply by spraying around a few Huttish peerages and knighthoods.

**BUSINESS:** Charles Ross McKinnon, of Dow Design and Construction Pty Ltd, who went to the wall for \$3 million, a good, round sum; for memorably reflecting the state of the nation's business; and because you have to admire his style.

**SPORT:** The mare Leilani; for having been photographed more than the wives of her owners, Mrs Andrew Peacock and Mrs Ian Rice. Bart Cummings, her trainer, for having been photographed with Mesdames Peacock and Rice more often than with Leilani. Thommo and Lillee.

**LETTERS:** Graham Freudenberg, the Prime Minister's speech-writer, for making the Prime Minister even more nettle-tongued than he is by nature. Senator Douglas McClelland, for his letter to Jack Valenti. Mr Justice Murphy, for his letter, mentioning a Miss Morosi, and her need of a flat, to Mr Gordon Bryant, Minister for the Capital Territory. And David McNicoll, whose works have aroused so much interest on both sides of the Left.

**MISCELLANEOUS:** Jack Clancy Magwitch, of Kalgoorlie, WA, who devoured 44 meat pies and 23lb of boiled peas while sitting at the bottom of an abandoned mine-shaft, thus raising \$62.70 for the Coolgardie Rotary Club. Ivy Stoate, of Taronga Park zoo, who on a single April Fools' Day assured no less than 361 callers that there was nobody at that number named Mr Lyons. Bill Hartley, who, in all his efforts on behalf of the Palestine Liberation Organisation, has not once managed to pronounce correctly the name of Yasser Arafat. Myself (details to follow).

I hope to hear from you soon; especially about the wombats.

Cordially,

Ron Saw.

P.S. I am also writing to the Hon Tom Lewis; Premier of NSW, asking him for a knighthood. Please don't worry about this. R.S.



Government House,  
Canberra. 2600.

21 April 1975.

*My Dear Private Secretary,*

I have just returned from a busy tour around Papua New Guinea during which I had some significant talks with the Chief Minister, Mr Michael Somare.

They are at the present time finishing the political discussions about the form of their Constitution. Amongst the outstanding questions is the very fundamental one of whether Papua New Guinea should be a republic or whether Her Majesty The Queen should be asked whether she would be prepared to remain as Queen of Papua New Guinea.

The Chief Minister has assured me that there would be a very substantial majority for the proposition that the country should remain a Monarchy under Her Majesty. The Chief Minister has unofficially raised this matter with the Australian Government which has been asked to consider whether it could, through me, explore the position with Her Majesty. Before asking me to do this, however, the Australian High Commissioner in Papua New Guinea has been asked to ascertain the answer to a number of questions.

Whilst these informal discussions are going on at the political and official levels between the two governments I feel that I should foreshadow that there is a very strong likelihood that The Queen will be asked to continue as Queen of Papua New Guinea.

I have detailed knowledge of the technical, legal and constitutional matters which are being discussed here but do not think I should go into the matter at this stage setting out all the specific points.

There is no doubt that Papua New Guinea will seek membership of the Commonwealth of Nations. I am attaching a diary note of my own dealing with the current situation as to the Head of State. This will indicate the nature of my discussions in Papua New Guinea. I kept those discussions within constitutional bounds.

.../2

The Chief Minister was really doing no more than keeping me informed about matters which are the subject of detailed discussion between his Government and Canberra. As he was proposing that I should, in due course, at the request of the Australian Government take up this subject with Her Majesty he felt it proper to give me the full picture. In the course of doing so he said that whilst he appreciated that there were some outstanding points to be dealt with and that I would have, in due course, to deal formally with the matter, he would be happy if I could let Her Majesty know informally what is proposed so that she can give some thought to it in advance of the more formal approach.

There are a few related questions including his desire to preserve the British Honours system and to have an Independence Day List and his hope that if Her Majesty cannot come to the country for its establishment as an independent State which will, it is hoped, occur on or about 15 September, they would be asking The Queen to consider delegating to an important member of the Royal Family the task of being present. They are hoping that if The Queen cannot come herself and they appreciate that there would be very great difficulties at this stage in arranging such a visit, His Royal Highness The Prince of Wales could, with Her Majesty's approval, find it possible to be present.

It is still a little difficult because of the politics of the situation to say exactly when Independence Day will occur. They are aiming at 15 September but would probably be responsive to suggestions from the Palace as to some changed date though everybody at this end (in the Australian Government and the Papua New Guinea Government) is anxious to see independence achieved as soon as possible.

The only additional point which may be of some help is that it seems to be that emerging Papua New Guinea foreign policy would appear to be based upon an orientation towards the Pacific, that is, towards New Zealand, Fiji and Australia rather than towards South East Asia.

My assessment of our own foreign policy is that we would like to see them take this course and to regard themselves as pre-dominantly part of the South Pacific. Of course, no-one can predict what will happen beyond, say, the first three or four years.

If I am right about the main thrust of their foreign policy and of our own, and this is a matter upon which Her Majesty may have other sources of knowledge, then it would seem to be very sensible from our point of view and from the Papua New Guinea point of view for the Commonwealth countries concerned to be all monarchies.

It is of course not for me to offer advice to The Queen as to the advantages or disadvantages from the point of view of the Monarchy itself of her continuing to be The Queen of Papua New Guinea. Perhaps I may be permitted to say that if there is anything at all which Her Majesty would like to know in order to enable her to make her decision I shall be happy to do what I can to help.

I judge the position to be reasonably stable in Papua New Guinea. There are all the usual problems, but the Government appears to be in control of the country which will, in my belief, remain united and stable at least for the next few years. Of course, politics being politics and the Constitutional debate being current, the position could change but as things stand at the moment there is a firm intention in Papua New Guinea to raise this whole subject with Her Majesty.

If the position does change, and I do not think it will, I shall of course let you know immediately.

Please assure Her Majesty of my continued humble duty and loyalty.

Yours sincerely,

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.

EXTRACT FROM DIARY NOTES ON PAPUA NEW GUINEA VISIT

BY THE GOVERNOR-GENERAL OF AUSTRALIA

10 - 17 APRIL 1975

Head of State in Papua New Guinea

3. I have had quite important discussions with the Chief Minister about the emerging constitutional solution to the Head of State problem. The Chief Minister has put to me as clearly as possible that he wishes Papua New Guinea to remain a monarchy under The Queen for the next three or four years at least, and perhaps indefinitely. He has various reasons for this, some of which were explicit, some of which I have deduced from his general remarks. Numbered among the reasons are:

- (a) He desires to leave an impression of continuity with the Australian past. For Papua New Guinea to have the same monarch as Australia, though both countries are independent of each other and of the United Kingdom, has in his mind a symbolic significance. This will help him to give substance to independence whilst at the same time having signs of continuity with the past.
- (b) He has said that it will help him with those Papuans who still have niggling doubts about their Australian citizenship and their rights to a separate existence. This may not be thought to be important by people a long way from the scene but the Chief Minister believes that if Papua New Guinea continues to have the same Queen as it has always had this will be helpful with the Papuans.
- (c) There is the problem of the actual person who is to be the Head of State and how to dress him up and give him a position of significance and importance whilst at the same time constraining him within the limits, whatever they may be, of the Constitution. It appears that the Chief Minister does not wish the Head of State to have the discretionary powers normally possessed by a Governor-General and if there were to be a President this would apply. As I see it he would also wish the Governor-General to be in the same position. He believes it will be helpful to him and to the Government in making such a position attractive to the likely appointee if he is not only Head of State with very limited powers but also representative of The Queen.
- (d) My judgment of the position in the Chief Minister's own electorate is that The Queen looms large there. It was put to me by at least one person in this way: if one were to travel along the Sepik River calling in at the various villages and to ask anyone about The Queen and

who she is, there would always be an answer that The Queen is Queen Elizabeth and the response would always be enthusiastic. The Chief Minister at no stage said to me that it was of any significance that The Queen is important along the Sepik River nor that a continued monarchy would be helpful politically to him personally, but I think that one minor reason why he is supporting a monarchy at the present time is connected with his home situation.

4. The Chief Minister is conscious that The Queen is The Queen of Australia, New Zealand and Fiji. In these circumstances he thinks it would be a good thing for her also to be The Queen of Papua New Guinea. There would then be four countries in this part of the world which would have a direct connection with The Queen. They are all very friendly with one another and it would be helpful to Papua New Guinea for the next few years for them all to be monarchies under the one Queen. If this were to happen, then his Head of State would meet the other three Heads of State as four representatives of the same Queen whilst recognising, of course, that she would be The Queen of four entirely independent countries.

5. The Chief Minister believes that he can achieve substantial support for his ideas - not a bare majority but a vote with say 10 to 15 dissidents.

6. One factor in the situation is his desire:

- (a) for an Independence Day Honours List, and
- (b) to continue to have at his disposal the British Honours system until he can solve the question of how to handle honours by some other national means. Although this is a factor in his approach it is by no means paramount. His approach to the Honours question is a reason for wanting a monarchy but not the dominant reason.

7. On the assumption that he is successful in getting the acceptance of the monarchical principle he is most anxious to have an important member of the Royal Family present on Independence Day. He accepts that it is almost impossible for The Queen to come but he hopes Prince Charles will be able to represent her. He told me that he had mentioned this matter to Prince Charles in New Zealand and that he had had what he believed to be a favourable reaction. Presumably, however, at that stage, Royal representation was not discussed in terms of a constitutional monarchy or a republic but merely as a matter of having a

representative of The Queen present on Independence Day. I had been made aware of the interest in Papua New Guinea in having a member of the Royal Family present on that day before I met Prince Charles in Kathmandu. I had discussed the matter with the Foreign Minister and Mr Morrison, the Minister directly concerned with New Guinea. They had both confirmed that the Papua New Guinea Government would probably like to have a member of the Royal Family present. I took up with the Prince in Kathmandu the possibility that if The Queen could not come he might be asked. He said that it would be a matter for The Queen and to some extent the Navy. He said he would be in India in late October and the best date for him, if The Queen agreed, would be the first week in November. However, all this was discussed on the most tentative basis.

8. I gather that the present intention is that Independence Day be on 15 September. Whether this can be achieved or not others will be better able to judge, but certainly if it can be achieved, and if The Queen cannot come, the Government of Papua New Guinea would hope that arrangements can be made for Prince Charles to come.

9. Bearing in mind the difficulties of organising Royal programmes it is very desirable to pick as soon as possible the date for Papua New Guinea independence. The arguments for a date in September seem to be substantially sentimental and therefore important but there may be other dates which can be picked which might not be unrealistic and which might have other advantages, having regard to Royal commitments.

10. It may be that a date suitable to Prince Charles would also be not unrealistic in Papua New Guinea politics. What has to be done is to get a date and try to make everything fit that date. If Papua New Guinea is to be a monarchy, as now seems to be likely if The Queen agrees, the presence of a very important member of the Royal Family would seem to be most desirable.

\* \* \* \* \*



WINDSOR CASTLE

PERSONAL AND CONFIDENTIAL

2nd April, 1975.

*Dear Governor General*

Many thanks for your letter of 24th March which has been read with much interest by The Queen. Her Majesty greatly values the letters you send to me as they are keeping her extremely well informed about events in Australia as they develop.

The displacement of Mr. Snedden by Mr. Fraser as Leader of the Opposition was in fact communicated to Her Majesty before it hit the media as it happened that David Smith telephoned that afternoon about another matter and gave us the news: your letter is most interesting on this point as it fills in the details and paints the background of what happened. Perhaps this event will be as important in Australian politics as Mrs. Thatcher's elevation to the position of leader of Her Majesty's Opposition may prove to be in the political scene here. We live in disturbing times but at least no one can criticize them for being dull !

The Queen was delighted that your visits to Nepal, India, Pakistan, Afghanistan and Iran were so successful and that you were accorded status equivalent to a Head of State wherever you went. This is, of course, as it should be and it is excellent news that you did not run into any aggravating protocol snags during your tour. Incidentally, it must have been an exhausting schedule and I hope you have taken a proper rest on your return to Australia.

The Order of Australia seems to be making good headway in what must inevitably, I fear, be choppy seas. Carl Lochnan is an old friend of mine and the acknowledged expert on the working of the Order of Canada. I am sure his visit to Canberra will have been of real value.

If the Independence of Papua New Guinea does come about in June, it would indeed be extremely difficult, and perhaps impracticable, to arrange for a visit by a Member of The Royal Family, nonetheless do please keep me informed of developments.

If Papua New Guinea decides to remain a Monarchy, as, I understand from David Smith, is now a real possibility, it will of course be necessary to appoint a Governor-General. This would presumably be done by The Queen on the advice of her Australian Ministers as he would have to be appointed before Papua New Guinea becomes Independent.

The Queen will, of course, be very ready to give her approval to your proposed visit to Fiji.

I was very interested to read your views about the award of British Honours by the States. My only reservation in regard to what you say is that I do not believe there has ever been acknowledged allocations for individual States. There is an allocation for Australia as a whole and my understanding is that this is divided, half for the Commonwealth and half for the States, but that it is not broken down beyond that point in so far as the individual States are concerned. I am making some enquiries about this and will write again shortly.



You will have heard, of course, of the visit to London of Sir Mark Oliphant. I had one or two telephone conversations with David Smith about this and was therefore aware of the background when he came to see me at his own request. We had what I think was a useful talk and I left him in no doubt that The Queen could only entertain invitations to visit Australia when they came to her from you or from the Commonwealth Government.

Yours sincerely

Mark Oliphant

His Excellency the Governor-General  
of Australia.

24 March 1975.

I shall follow the practice of my letter of 19 February and deal with a number of matters under various headings.

Political Situation

In my last letter I gave an outline of the state of politics as I saw it just before my departure for overseas. I have no reason to qualify at all the position as it then stood. Everyone was then expecting an election; the campaigns had virtually begun. It was thought Mr Snedden was firmly in the saddle and Mr Fraser reconciled to no further challenge.

The Prime Minister himself appeared to be convinced that there would be an early election when he said farewell to me on my departure. He indicated that he hoped to ensure the timing of the election so that it took place in July.

A very great change has occurred in the intervening month. Just before my departure and as part of his first aggressive flinging down of the gauntlet to Mr Snedden the Prime Minister made a very severe attack in the House on the leadership qualities of the Leader of the Opposition. This was judged universally by the press to be a very powerful, even brutal, speech. Mr Snedden's reply was widely believed to have been quite inadequate.

Whether the Prime Minister had designed it to achieve the result it did achieve I do not know but the result was to raise again in the minds of many Liberal Party members and leaders sitting behind Mr Snedden, serious doubt about his leadership ability and capacity to fight and win an election against Mr Whitlam despite the economic situation and the state of the earlier public opinion polls as to the acceptability of the Australian Labor Party.

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During my absence the dissatisfaction with Mr Snedden grew until finally it became obvious that there would be another Fraser attack. Partly as a defensive operation in the internal leadership struggle, Mr Snedden announced that there would be no denial of supply and no early election. There was a quite public series of pro- and counter-Snedden statements on the Opposition side and finally it became obvious that the Leader of the Opposition would have to call a meeting of his party, during a break in the Parliamentary sittings, to deal with the leadership issue.

The meeting was held on Friday morning last and Mr Snedden was defeated, as you will already know by the time of receiving this letter.

Mr Fraser has taken over as Leader of the Opposition. He has adopted the tactic of consolidating his position for the time being and will not plunge on against the Prime Minister and the Government. He has already said that he will not seek to precipitate an election by denying Supply. Mr Fraser has a reputation of being strong, intelligent, aggressive and tough-minded. He has been a representative of the right-wing of the Liberal Party and it is said that his general posture would be distinctly to the right of Mr Snedden's, with the consequent risk that he might lose the middle ground in politics which Mr Snedden has been cultivating and which was lost to the Labor Party in 1972.

Mr Fraser comes from what is sometimes called in this country, "patrician" origin. His family had large landholdings and he has had a very good education. He is accused, as leaders like Mr Whitlam and Mr Menzies in his day have been accused, of arrogance. I think his intelligence and political capacity, now that he has fulfilled his destiny of achieving the leadership, will lead him to make the inevitable compromises but it is still something of an open question what will happen. The so-called progressive wing of the Liberal Party was behind Mr Snedden but some accommodation with it will doubtless be found.

The Liberal Party has been in recent times worried about the extent to which the Country Party exercises power within the coalition and there has been some fear that Mr Fraser would tend to co-operate with the Country Party more than some Liberals would like. Here again the outcome may be different. We now know who is to lead the Opposition but we do not yet know what his strategy will be and how much unity he can achieve.

#### Overseas Visit

My own judgment is that my visit to Nepal, India, Pakistan, Afghanistan and Iran was successful from Australia's point of view. In the absence of Her Majesty The Queen I was, in all countries, accorded status equivalent to that of a Head of State.

I had interesting conversations with the leaders in all countries who spoke very frankly to me. Of course I conducted no negotiations; involved myself in no diplomacy; and kept completely within my constitutional role, both as to Australia's foreign and domestic affairs. But nevertheless I found, doubtless because everyone understood that I am above the battle, that I was talked to in a most interesting way with considerable educational profit to myself. It will, I think, be of much use to me here in carrying out my ordinary duties to have been so well informed about the way the leaders in the Indian sub-continent and the Gulf Countries see the world and their own problems.

I had some trouble getting my six bars in all places. They have become accustomed outside Australia to playing "Advance Australia Fair" when leading Australians are present. This is done for Ministers of the Crown, who travel frequently, for sporting teams and on all other occasions when it is necessary to recognise Australia.

I managed, except in Nepal, to get six bars played. In some places they followed it by playing the full national anthem but Ambassadors persuaded the bands to play only eight bars of "Advance Australia Fair" in some places. Now that I am back I shall have to sort out this question of the timing of my adoption in Australia of the new vice-regal salute. Certainly the Prime Minister wants us to achieve the change by Anzac Day.

#### Darwin

I presented the television sets on behalf of Her Majesty The Queen at the Darwin Hospital on my departure from Darwin for Nepal and made the statement which I previously foreshadowed. The gift was received with great pleasure and I was asked to convey to Her Majesty the most sincere thanks of the hospital and the nurses, His Honour the Administrator and other leading citizens who were present. I was also asked to pass on the gratitude of the people of Darwin to Her Majesty. I presented the photograph to the Mayor who was also very grateful. This, however, was done in Canberra before my departure as he was down here.

#### The Order of Australia

Things are proceeding satisfactorily with the constitution of the Council and other administrative matters. Recommendations are coming in from various quarters. Administrative machinery has been set up in Government House. We have had a visit from Mr Lochnan, the Assistant Secretary to the Governor-General of Canada. A visit by him had been arranged sometime ago. He

came out with a great deal of information about the Order of Canada and has had a number of talks here, both inside Government House and in the Prime Minister's Department and the Department of the Special Minister of State. These have been very helpful. I shall be raising separately and officially a few questions about the Order which I shall not take up here.

I understand that there is some hope that the States, or at least some of them, in addition to the Labor States, may be willing to participate in the activities of the Order and to nominate representatives to the Council. A meeting of the State officials who deal with Honours is to be held in the near future and Mr Lochnan will talk to them.

I am hoping that a sensible balanced outcome can be achieved but the process of achieving it is still, substantially speaking, a political one. Whatever I can do to help I shall do.

I should add that during Mr Snedden's period of leadership he made no statement at all about the Order. He certainly did not attack it. No-one else at the Federal level, so far as I know, has criticised the Order. I do not know what Mr Fraser's attitude is, or is likely to be. I know Mr Fraser quite well, having worked with him in the past when he was Minister for Defence and I was conducting an inquiry into pay and financial conditions of the Armed Services. I have no doubt that I shall be seeing him from time to time and will be able to assess his attitude to the Order.

I hope to put together a sensible and balanced Council during the next week. We are working out a timetable for action to achieve a list to be put to Her Majesty in ample time for announcement in the Birthday Honours.

#### New Guinea Independence

I mentioned in my last letter that it seemed unlikely that independence would be achieved by June. There has been a resurgence in New Guinea of a desire to attain independence by June if this is possible. Previously there had been a desire to have a member of the Royal Family participate in the ceremony if this were possible but if independence celebrations are to be in June I realise that it will be difficult to arrange for this. However, I will keep you informed about the developments.

I shall go to New Guinea in April for a last vice-regal visit to the country. Whilst I was away the possibility developed of an invitation coming in for me to visit Fiji on my way to New Zealand or on my way back. This idea would be supported in Australia and if Fiji does decide to invite me to call in I should like to do this. It would, of course, need Her Majesty's approval.

Award of British Honours by the States

You are of course aware of the way in which, in the past, the total allocation of British Honours was divided among the Federal and the State Governments. Over the past two years the four recommending States have tended to ask for more than their quota allocations, and it has been generally possible to accommodate most of these recommendations simply because of the unused allocations not taken up by the Federal and State Labor Governments.

I believe it is now time to call a halt to this gradual escalation and for the recommending States to be held strictly to their allocations. I accept the fact that the States may continue to recommend for British Honours and I believe they should continue to do so if they wish. However, the awarding of British Honours by some States and not by others has resulted in many Australians being denied the recognition to which they may have otherwise been entitled during the past two years. The Queen has now approved an alternative system under which Australians from all States can be honoured and nominations are coming in from all over Australia to the Honours Secretariat. Indeed, I am encouraged by the fact that two of the non-labor State Governments have nominated persons to serve on the Council of the Order of Australia and on the Australian Decorations Advisory Committee, and there is a possibility that one other State may also make nominations.

Thus, while recognising that we are to continue to have both British and Australian Honours being awarded to Australians by The Queen, I believe it is now time that the quota allocations for British Honours be strictly adhered to. I shall therefore be advising the Secretary of State that any recommendations in excess of quota allocations should not be submitted to The Queen for approval. This may cause problems initially but I believe that my duty to Her Majesty requires me to help ensure that her Honours and Awards are not made available either too freely or inequitably.

May I conclude by saying that I very much enjoyed meeting and talking with His Royal Highness The Prince of Wales at Kathmandu. We talked about the changes which have been occurring in the political situation in Australia and particularly those which were being communicated to me during my absence. I thought it sensible to let the Prince know how things were going having regard to his deep interest in Australian affairs.

.../6

Please assure The Queen of my continued loyalty and  
humble duty.

Yours sincerely,

JOHN R. KERR

P.S. The New Guinea independence  
situation seems to change  
daily - the Minister is now  
predicting Sept. - Oct.

J.R.K.

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.



BUCKINGHAM PALACE

5th March, 1975.

*Dear Governor General*

On my return from Mexico with The Queen on Sunday morning, I saw your most interesting letter of 19th February to which my colleague, Bill Heseltine, replied on 25th February.

The Queen has now seen your letter and commands me to say that she is glad to approve your official visit to New Zealand in the second half of May. She thinks this an excellent idea. Her Majesty was most interested in all you had to say in your letter, and is particularly glad to hear the good news about your health.

We have now received from David Smith copies of the Editorials about the establishment of the Order of Australia. It seems to me that these are as favourable as could have been hoped for and I have no doubt that your statement and radio and television broadcasts contributed materially to this satisfactory outcome.

The Prince of Wales is now back from Nepal and much enjoyed the opportunity he had there for discussions with you.

The Queen thanks you for your expressions of loyalty and sends you her warm good wishes.

*Yours sincerely*  
*Martin Chantain*

His Excellency the Governor-General  
of Australia.



PERSONAL AND  
CONFIDENTIAL



BUCKINGHAM PALACE

25th February, 1975

*Dear Governor-General,*

I am writing to acknowledge your long and interesting letter of 19th February sent before your departure to Nepal. I have been reading about the coronation in the papers yesterday and today and I am sure that your visit to Kathmandu to attend the ceremony must have been a fascinating one. I hope you had a good opportunity for a talk with The Prince of Wales, who was I know looking forward to meeting you again.

The Administrator notified us by telegram that he had taken over on your departure. No doubt he will be enjoying his short spell at Yarralumla.

Of all those subjects which you have covered in your letter I know that The Queen will be most interested in the details that you have given of the state of affairs in Darwin and would wish me to thank you most particularly for the statement which you made there when handing over the colour television sets. I think, if I may say so, you have interpreted her feelings and her wishes most elegantly. What a strange sad accident in the Derwent River.

We have been watching the Australian news bulletins for details of the reception of the Order of Australia. In the first instance this appeared to be pretty predictable. I hope it will go as you suggest and that Billy Snedden will continue to react cautiously. It does seem a sensible way of proceeding and hopeful for the future if the Australian States begin to use the Order of Australia in place of the Order of the British Empire. It would be most sensible of them if they do and would I believe soon meet with general acceptance. I hope that Sir Paul feels able to become a Member of the Council. I cannot imagine that either you or he would be embarrassed by his occasional visits to Canberra if he did so.

We have been following with intense interest the developments over the Senate casual vacancy and I am sure that The Queen will be most fascinated by your account of developments, both on this matter and over the whole field of federal politics.

David Smith has indeed kept us fully informed of the Royal Commonwealth Society incident which seems to have been one of those furious storms in a tea cup, showing *though*, vividly, deep loyalty to The Queen which still exists throughout the loyal Societies and in so many sectors of Australian society at large.

I read the Ron Saw article in The Bulletin with tremendous interest. I thought it was very bold of you to tackle Ron Saw and I think that the result certainly justified the experiment. You are of course right to move cautiously in this field but, again, if I may say so without impertinence, I think you are moving cautiously in the right direction.

The account of your few days in hospital will come as a great reassurance to everybody.

Good luck with the new vice-regal salute. It will I think turn out eventually to be the best solution to the problem. I am sure you are wise to keep the introduction of it until your return to Australia, as I think it is something that needs the prestige of the Governor-General himself if it is to meet with the best hope of general acceptance.

I am sorry to hear that the Prime Minister is still exacerbating Commonwealth State relations. I thought I had detected when I was in Australia a sentiment among his advisors in favour of mending fences. Perhaps I did and perhaps also the advisors have not been as successful as I had hoped in bringing Mr. Whitlam round to their view of the situation.

You are certainly giving yourself a busy schedule for the next few months. As soon as The Queen is back I know she will read your letter with the greatest interest and Martin or I can send you her reaction, which I am sure will be a favourable one, to your request for approval of the visit to New Zealand. I stayed with the Blundell's at Government House, Wellington, on a recce before the 1974 visit for the Commonwealth Games, an experience which I enjoyed almost as much as my stay at Admiralty House. I am sure that this exchange of visits between Governors-General of Australia and New Zealand can do nothing but good.

While you are investigating Kathmandu, I am holding the fort here in London while everyone is away in Mexico and the Caribbean. The days here have not been without excitement. I expect you will have seen references, perhaps even in the Nepalese newspapers, if they have such things, to the "disclosures" about the provision which the Tories proposed to include in the Companies Bill 1973, which, because of the elections, never became an Act. In the most extraordinary way, routine consultations between Buckingham Palace and Government departments about new legislation and a proposal to preserve the then existing situation to exempt The Queen and various other categories of organisations and persons from having to disclose their ownership of shares through nominees have been made to appear like some sinister backstairs plot to withhold information about The Queen's private fortune. I am not a believer in the conspiratorial theories of public life but I am forced to believe that it is more than just a coincidence that the correspondence on this subject found its way into the hands of the communist newspaper just a few days before the debate on the Civil List.

*Kindest regards,  
from Sidney  
Dier Helleman*

His Excellency the Governor-General of Australia.

Government House,  
Canberra. 2600.

19 February 1975.

I am leaving tomorrow on my visit to Nepal, India, Pakistan, Afghanistan and Iran, and have thought that it might be useful for me to let you have a letter prior to my departure.

I should like first to thank Her Majesty for her kind permission to me to undertake the visit. I am looking forward to meeting again in Kathmandu His Royal Highness The Prince of Wales.

Sir Roden Cutler will be sworn in as the Administrator and will carry on during my absence.

I should also like to thank Her Majesty for her kindness in arranging for the nurses at the Darwin Hospital to have the colour television sets and for the photograph for presentation to the city of Darwin. On my way overseas I shall be stopping at Darwin for a few hours for refuelling and to enable me to inspect the present state of the city and to assess the planning which has been taking place. I shall present the television sets and the photograph, on behalf of Her Majesty, whilst I am in Darwin.

It seemed to me appropriate to indicate that Her Majesty was particularly impressed by the enormous effort of those who, on Christmas Day and Boxing Day, looked after the injured in Darwin. She had by her early message expressed her sympathy to all of those who suffered because of the cyclone. Her gift to the nurses was, as I see it, meant to symbolise and express her appreciation, not only of what the nurses did, but of what was done by all who took part, in the critical emergency, in handling the casualties on the spot.

I enclose a copy of a statement which I hope expresses these sentiments, which I propose to make in Darwin, and trust that it is satisfactory to The Queen.

.../2

Whilst on the subject of Darwin, the position is that some evacuees are being allowed back; a planning and constructing activity is proceeding; and there has been a certain amount of political and other trouble due to the inevitable rivalries. But, on the whole, things seemed to have settled down administratively.

A passenger ship has been chartered and is to lie at a wharf in Darwin to provide emergency accommodation. There is dissatisfaction with the operation of the permit system for people to return, but no really serious trouble has yet occurred.

It will, I think, be best for me to hold any further discussion of the Darwin situation until I return, when my own impressions of the situation on the spot can be supplemented by up to date information.

Since my last letter I have actually seen the bridge over the Derwent River and the incredible damage done to it by the collision which occurred when the ship - well off its course - brought down part of the bridge and a number of pylons. It is difficult to understand how this could have happened. There is, of course, an inquiry operating. I stayed with the Governor in Tasmania and he indicated how grateful the citizens of Tasmania were to receive Her Majesty's kind message.

This letter will cover a number of matters and will doubtless be too lengthy. Perhaps the best way to arrange it will be to make various comments, not necessarily in order of importance, giving to each an introductory heading.

#### The Order of Australia

Everyone here involved in the introduction of the Order is very grateful to Her Majesty for her co-operation in enabling the Order to be established so speedily. I have issued a press statement and made a television address to the Nation. It was of a factual and descriptive kind, giving details of the Order and its constitution.

It is difficult yet to assess how it will be received on the Liberal-Country Party side of politics. It was predictable that there would be two possible reactions from that side.

One. The Order may be accepted as a good additional system of honours provided that it stands alongside the old system as I announced that it would. I have reason to believe that Mr Snedden is of the view that an Order of Australia is a good idea as a substitute in Australia for the Order of the British Empire, provided awards in the other Orders continue

to be available. He would, I think, be likely to say that, when his coalition parties are returned to power, he would seek to have the Letters Patent amended by advising Her Majesty to add the various degrees of Knighthood. Mr Snedden is an old friend of mine. He appointed me to the Federal Bench when he was Attorney-General. I met him at a private dinner party on the night before my announcement. There had been press speculation about the Order and he indicated to me that he was in favour of an Order of Australia to replace, for Australian purposes, the Order of the British Empire but that it should have grades of Knighthood. He has not yet publicly reacted to the establishment of the Order and may be forced by political exigencies to take a different public line but I doubt this.

Two. The other reaction has in fact come from some Premiers who have not studied the details. They have indicated that they do not wish to have anything to do with the new Order because they are satisfied with the present honours system and do not wish to add to it. It remains to be seen whether this attitude will persist.

My assessment is that the first of these two reactions - that is to say the one which I believe Mr Snedden may well adopt - will be the one that in the end will prevail on the conservative side. As you know, my view is that the establishment of the Order is a very good thing. The question whether it should, or should not, provide for Knighthoods can be left for the future.

The editorials have been generally very favourable and I have asked David Smith to send a collection of them.

Her Majesty may be assured that I shall do my utmost to see that the Order is properly administered. The staff needed will be established in Government House. My Official Secretary has been appointed Secretary of the Order. Sir Garfield Barwick, Australian Chief Justice, has consented to be Chairman of the Council and when I return from Nepal I shall arrange for the Council to be fully constituted and to meet under his chairmanship. A number of basic decisions will need to be made and fundamental policies settled.

I have written to ask Sir Paul Hasluck if he would be prepared to be a member of the Council. It could be that he would not like to return, from time to time, to Government House so soon after his departure. I should also say that Mr Snedden received in advance, on my direction, a set of the documents relating to the Order.

.../4

### The Political Position

The view is undoubtedly hardening on the Opposition side that a mid-year election is a necessity and is inevitable. The Ministers to whom I talk appear to accept that this is likely to happen and to be not entirely confident of the outcome.

The opposition parties are very buoyant in their approach to the politics of this year because it is thought to be so likely that there will be an election.

The Fraser/Snedden issue has been put on ice and Mr Fraser has made it clear that he stands behind the Leader of the Opposition. This is doubtless because of the prospect of an early election and the desirability, which is presumably being stressed, of closing the ranks. Rallies have been called and the opposition parties are launching their campaign already.

One complicating feature affecting the Liberal-Country Party coalition has arisen over the appointment of the former Australian Attorney-General, Senator Murphy, to the High Court of Australia, leaving a casual vacancy in the Senate. Since 1949 there has been an agreement between all parties and all States that when a casual vacancy exists in the Senate because of the death or retirement of a Senator, the State from which he came, which has the right under the Constitution to fill the casual vacancy, will do so by appointing a person from the same political party as the party to which the dead or retiring Senator belonged.

The new Premier of New South Wales, Mr Lewis, has refused to do this and a great political debate is taking place. Mr Snedden has made it clear that he thinks that the practice should be followed though Mr Anthony disagrees. The Senate itself passed a unanimous resolution as follows :-

- "(1) The Senate is of the opinion that the choice of a Senator to fill a casual vacancy is by section 15 of the Constitution the sole responsibility of the Houses of Parliament of the State, or if the Houses of Parliament of the State are not in session, of the Governor of the State acting upon the advice of the Executive Council; and
- (2) The Senate commends to the Parliaments of all the States the practice which has prevailed since 1949 whereby the States, when casual vacancies have occurred, have chosen a Senator from the same political party as the Senator who died or resigned."

The matter has not yet been resolved. The Prime Minister addressed the nation on Sunday night using the incident as another illustration of the alleged unending obstructionist

activities of his opponents who refuse to accept his right to govern; who keep him, through their power in the Senate, under constant threat of an election; and who break the conventions of the Constitution in order to enable them to do so.

Actually I do not think the practice to which I have referred is entitled as yet to be dignified with the title "convention of the Constitution". It is a practice which derives from agreement amongst the States and the parties.

Before 1949, the year during which proportional representation was introduced into the Senate elections, the same practice was followed but from time to time it was broken. Mr Snedden has been embarrassed by what has happened because Mr Anthony, the Leader of the Country Party, has supported the new Premier of New South Wales and Mr Snedden has been left as a leader in a position where his leadership may appear not to be fully accepted, on this point, by the coalition parties.

The real factors likely to force an election are the economic ones to which I have referred in past letters though the issue about the casual Senate vacancy will doubtless be one of many issues in the campaign, if an election takes place.

The Labor Party held its conference recently. The party had always subscribed to a socialistic platform expressed in the classic form but when in power had administered the country on the basis that it is, and will remain, a mixed economy. Many of the things which have been done by the present government have caused much disputation and the inflation and unemployment have been said to be due in part to the indifference of the government, indeed its hostility, to the health of the private sector of the economy.

Growing lack of confidence and other matters have contributed to a speedy growth in unemployment. The Labor Party has been coming to see that if there is to be any reasonable prospect of diminishing unemployment it has to act in a more co-operative fashion towards the private sector which employs about three-quarters of the work-force.

At the Labor conference, under the leadership of the Prime Minister and Dr Cairns, the Party made what appeared to be a quite dramatic switch in its philosophy. The "mixed Economy" theory was openly embraced and many government actions directed towards restoring confidence in the private sector and giving it assistance were approved, directly or indirectly.

The Government therefore may be expected to do its best to stimulate the private sector between now and the middle of the year, though there is some doubt whether the lines to be followed, including the incurring of a very substantial deficit, may not have a counter-productive effect because of the risk of ever-increasing inflation sapping business confidence more than the supportive measures restore it.

The Royal Commonwealth Society Incident

I am particularly sorry that this incident took place. It was totally unexpected from my point of view. All concerned have apologised. The Official Secretary has, I think, kept you fully in the picture. What happened shows how deep is the loyalty to The Queen in the loyal Societies and how there is a genuine tendency to stand up for her and to support her. On this particular occasion what happened was due to a misunderstanding which left me in an uncomfortable position for a short period of time but there can be no doubt about the attitude of all concerned to Her Majesty and the Monarchy.

Article in the Magazine, "The Bulletin"

There has been difference of opinion amongst my advisers as to whether I should occasionally see the press or whether I should continue to follow the policy of Sir Paul Hasluck of having nothing to do with the media. There is a strong school of thought that although Her Majesty herself does not issue press statements or give press conferences the Governor-Generalship, as it develops, needs to take account of the availability of the media, its potentialities and, of course, its dangers.

I have not made up my mind yet as to what my policy to the media should be though I tend to think Sir Paul's aloofness was perhaps a little too complete.

The National Press Club have asked me to address them on some future date. This would involve answering questions. I have not decided yet what to do about this matter. Very distinguished persons who come to this country do address the National Press Club - for example, The Shah did so, and very successfully but I am very doubtful about putting myself in that position.

I mention this by way of introduction to a recent problem which I had. The magazine "The Bulletin", which attempts to be in Australia a publication like "Time" or "Newsweek", told my Official Secretary that they were proposing to do a profile on me as a cover story, with a picture of me on the cover, preparatory to my departure for overseas.

They had assigned the task to a journalist called Ron Saw who has a reputation for being a satirist. I was asked if I would allow him to interview me. The risk was that his article could be satirical on the subject of the Monarchy, the Governor-Generalship and myself. The question was whether I could prevent this risk from coming about by allowing Saw to have a talk with me.



An appropriate officer in the Prime Minister's Department felt that I would be able to handle Saw and side-track him away from any satirical attack of the kind referred to above. Partly as an experiment and partly because I thought that the argument was sound I agreed to see the journalist and in due course an article was published.

I had no control over the contents, style and nature of the writing, nor of the ideas expressed but I did succeed, I believe, in the main object of the exercise.

I enclose a copy of the magazine which may, in any event, come to your notice. I am sorry about the lapses from good taste which the author made but I feel that, by and large, the result is not unsatisfactory from the point of view of the institutions concerned. The personal details of my life come substantially from previous articles in the press and elsewhere. I would not burden you with all this but it does afford an illustration of my problem. I shall almost certainly treat this as a "one-off" experiment.

We all have to live with satire today including, as I observe, the Royal Family but I have taken the view that it is as well to minimise, as far as we can, its impact upon the fundamental institutions.

I still have to make up my mind about whether to withdraw completely from contact with the media, except on State or National occasions or when I am appearing in public to make a speech.

#### My own health

In case you may have heard some rumours about my health I should like to tell you the position. I decided to have a complete and thorough checkup before going overseas and to spend a few days in hospital for this purpose. I felt, and was, perfectly well but knew that I was considerably overweight. I survived all the tests quite satisfactorily but the doctors did their best to insist that I should stay in hospital to take off some weight under discipline. I made a compromise solution.

I did remain under their discipline in hospital but I also left the hospital as often as was necessary to maintain my programme. In the result I reduced my weight by twenty-two pounds in slightly over two weeks.

There was some speculation in the press about whether or not I was seriously ill. This was denied and the matter settled down sensibly. As a result of what I have done I feel very fit and well.

I would not bother with this personal material but rumours and gossip quickly circulate, even to London, and I would not like you to be under any misapprehension about the position.

#### Vice-Regal Salute

The Prime Minister has now advised me to adopt the vice-regal salute which includes bars from "Advance Australia Fair" as previously discussed between us. He would have liked me to have used this salute on my overseas visit and I should have been more than happy to do so but there were problems about the availability of the music, opportunities for bands to practise the new salute and so on. Furthermore, it would have been hardly fair to Sir Roden Cutler, whilst he was standing in for me in the Administratorship, to have to accept a new vice-regal salute before I had done so myself inside Australia - especially as his own government would have the attitude that the old salute of six bars from "God Save The Queen" should be retained in New South Wales.

All in all I have decided to set in train the preparations for the adoption of the new salute after my return and in time for Anzac Day. There will be some controversy about this matter but I suppose it is best to face up to it as the Prime Minister is intent upon having it.

As the new Order of Australia comes to be accepted the new salute may gradually be accepted as well. If there is a change of government there could be advice to me to go back to the old vice-regal salute. If so, I am in the position of having adopted the new one on political advice rather than of my own motion. I shall let you know how things develop.

#### Commonwealth-State Relations

The Prime Minister continues to enjoy bad relations with four of the States and this is expressed in a running battle with the Premiers - Mr Bjelke-Petersen, Mr Court, the new Mr Lewis and, to a lesser extent, Mr Hamer. They see him as being out to destroy the States or to make them completely subservient to the Commonwealth. Mr Lewis has joined enthusiastically in the battle and is adopting the style of Mr Bjelke-Petersen. They go too far in many of their reactions. A recent thoughtful editorial in the "Financial Review" supported "State's rights" but attacked what it called "provincial primitivism". However, the Prime Minister is the author of many of his own troubles in this area as he finds it difficult to conceal his contempt for much of what the Premiers say and

do and for what they believe in. His manner of handling them has exacerbated the problem and provided his opponents with a good political issue, as the Queensland election showed. A little more diplomacy and understanding on his part would have served him better.

If Mr Snedden wins the election he will have many similar problems with the States. Indeed he is having problems now. He is very annoyed about Mr Lewis' intrusion into the Senate controversy by refusing to conform to established practice. He will have to govern and do what has to be done nationally and the inevitable tensions in a federation will press upon him as upon his Liberal-Country Party predecessors. Mr Whitlam, however, has experienced the tensions at a new high level partly because of his own vigorous challenges to the States.

#### Appointment of Senator Murphy to the High Court of Australia

The appointment of Senator Murphy, Attorney-General, to the High Court of Australia caused a considerable amount of controversy because of his suggested lack of qualifications and his actions and activities as Attorney-General. He has been a somewhat controversial figure throughout his Attorney-Generalship. He has been sworn in and is now a member of the Bench.

The Honourable K. Enderby has been appointed Attorney-General and Minister for Customs and the new appointee to Cabinet and the Executive Council who will fill the vacancy left by Senator Murphy is Senator James McClelland, who has been appointed to Mr Enderby's old port-folio as Minister for Manufacturing Industry.

#### Travel by myself in coming months

Arrangements have been made for me to visit New Guinea in April in order to undertake a farewell vice-regal tour. This will be of relatively short duration, about eight days.

No Administrator will be needed as I will not be leaving Australia and/or its territories. I shall be able to administer the government with the aid of modern communication systems from New Guinea though urgent signatures may be necessary from my deputies.

It does not now seem to be likely that New Guinea will achieve Independence by June but everyone is hoping that it will occur this year. A request will, I have no doubt, be

made for the attendance of a member of the Royal Family - His Royal Highness The Prince of Wales has been mentioned - but it is difficult to have this particular question properly posed until we have some clearer idea of the date of the Independence celebrations. If a visit were made for this specific purpose only a few days would be involved.

I have also made arrangements to make an official visit to the Northern Territory, especially to outlying areas, during July. This of course will not require an Administrator to be appointed.

Sometime ago I had an invitation from Sir Denis Blundell, the Governor-General of New Zealand, who is an old lawyer friend of mind, to make an official visit to that country. I have been considering this and have had the help and advice of the Prime Minister and his Department. They are more than happy for me to spend a few days in New Zealand and the proposal is that this should take place in the second half of May. I should be grateful if Her Majesty could give the visit her approval.

As you know we are very close, both physically and in our political and other ties, to New Zealand. I have (subject to The Queen's approval) accepted the invitation of my friend, Sir Denis, who doubtless is well known to you in London both as Governor-General and because he was the New Zealand High Commissioner there.

Please forgive the detailed nature of this letter. It will be the last to engage your attention until after my visit overseas and the picking up of the reins again here on my return.

Please assure Her Majesty of my continued loyalty and humble duty and thank her on my behalf for her good wishes passed on to me by you in your letter of 10 February.

Yours sincerely,

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.



BUCKINGHAM PALACE

Personal and  
Confidential

10th February, 1975.

*Dear Governor General*

Thank you very much for your two letters of 4th February with which you forwarded the draft submission from Mr. Whitlam to The Queen, the draft press statement, and also the draft Letters Patent instituting the Order of Australia, the Australian Bravery Decorations and the National Medal.

These have all been laid before The Queen and in general Her Majesty has been pleased to give them her approval.

As time was very short we have discussed various amendments to the documents direct with Mr. Geoffrey Yeend who telephoned us about them. You will no doubt have heard from him the result of these discussions but I confirm them in this letter.

The two points which we asked to be amended in the Prime Minister's submission were:

First, that the use of the Royal Victorian Order should not be limited to "Occasions of visits to Australia." Although the great majority of awards in the Royal Victorian Order will undoubtedly be in connection with visits, there may be occasions when she would wish to reward someone who had given her a great deal of personal service in Australia apart from a visit, as she did in the case of Murray Tyrrell some years ago.

The second point concerns the phrase in the submission about The Queen giving her support for it. We asked that this should be excluded and the reason for doing so was that in this matter of instituting the Order of Australia, The Queen is acting on the advice of her Australian Prime Minister and it would seem odd, having taken that advice, to express support for it. To do this might imply that there were other occasions when she acted on the Prime Minister's advice when she did not support it.

The amendments which we have suggested to the Letters Patent, to the Constitution of the Order of Australia, and to the regulations governing the award of the Australian Bravery Decorations, are of very minor importance and mostly concern matters of drafting. There were, however, two amendments of slightly greater significance and those concern the regulations governing the award of the Australian Bravery Decorations.

I believe The Queen would wish to approve, herself, the designs for each decoration and I believe she would wish to give her approval, as she does in the case of the Order of

Canada, to the actual awards.

We have suggested two amendments to give effect to this which we hope will raise no difficulties.

May I now turn to the more general matters raised in your letters.

The Queen is most grateful to you for the care and attention you are giving to this question of the institution of an Australian system of Honours and she was particularly interested to read of your discussion with Mr. Whitlam on the political aspects of his proposal.

Her Majesty is confident that all is being done to make the Order of Australia as acceptable as possible in the present political circumstances. The distinguished Council of neutral and impartial persons who will be recommending the awards should certainly give everybody confidence.

Her Majesty is particularly pleased that Mr. Whitlam has agreed that it is acceptable for her to make awards in the Royal Victorian Order in Classes of Commander, Members 4th and 5th Class.

Your letter will have crossed mine in which I wrote to you about the Vice-Regal salute. I think, if I may say so, that your idea of associating this with the institution of the Australian system of Honours is a very good one and I hope that on this basis the Prime Minister will be prepared to give you firm political advice about the Vice Regal salute which is obviously desirable if not absolutely essential.

Her Majesty is, of course, very attracted by the idea that she should hold the first Investiture in Australia in her Jubilee Year of 1977, and although this is quite a long way ahead it will no doubt take a certain amount of time before the actual insignia are ready. The actual time that people will be kept waiting for their insignia may not, therefore, be as long as it appears now.

The Queen thanks you warmly for your assurances of loyalty and sends you her best wishes.

*Your sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.



BUCKINGHAM PALACE

Personal and  
Confidential

3rd February, 1975.

*Dear Governor General*

Thank you very much indeed for your letter of 4th January and please forgive me for the delay in replying to it. I waited to do so until Bill Heseltine had returned from Japan and Jamaica and could elaborate, as a result of his talk with you, on some of the matters which you raised in your letter.

The Queen has read your letter with close interest and has told me to say how pleased she was to learn of your visit to Darwin which was obviously well timed and most successful. A crisis of this nature brings the best out of everybody for the time being but as the crisis recedes the less agreeable side of human nature re-asserts itself and things get more complicated. Nonetheless, the way with which the crisis was dealt seems, from your account, to have been wholly admirable. You will by now have received my telegram about the photograph of The Queen and The Duke of Edinburgh to replace that destroyed, and also about the coloured television sets for the nurses. I hope you will not hesitate to let me know if you can think of any other way in which The Queen can show her concern for those who have suffered in this disaster.

I am sorry about the difficulties you had over the Table of Precedence; and indeed may still be having. There was really nothing that we could properly do here about it. The snags were recognized but faced with firm advice from a Prime Minister, which is supported by the Governor-General, there is really nothing a Constitutional Sovereign can do but to follow that advice. There is also the consideration that, although there is no lack of interest on The Queen's behalf in what happens in Australia, the 12,000 miles which separate us means inevitably that she is not as closely informed of detail as you are and it must really be for you as her Representative to fight the case. That being said, I think both The Queen and you were hustled too much in this matter. Such things ought not to be brought to finality without careful consideration and consultation.

You ask if I can suggest any way to prevent this sort of thing happening. All I can do is to give you, for what it is worth, the benefit of my experience here, recognising as I do so that my experience is relevant only to Whitehall and that it may not apply at all helpfully to Canberra.

The Queen's contact with the United Kingdom Prime Minister takes place on two levels. Her Majesty receives the Prime Minister once a week when she is in London and the audience goes on for over an hour. If the Prime Minister had something to talk about which concerned The Sovereign's prerogative, one would expect the matter to be discussed at

one of these audiences, in tranquility and before it became as immediate issue.

At a lower level there is close and continuous contact between The Queen's Private Secretary and the Secretary of the Cabinet, and the Prime Minister's Private Secretary. If anything was going on I should expect to hear about it well ahead of time on this low level net and be able to brief The Queen before the audience.

I think, therefore, that the best hope of being able to foresee trouble, and being ready to deal with it, is by ensuring that there is close and continuous liaison between your office and that of the Prime Minister. If, however, a Prime Minister is determined to rush his fences there is not, I think, much that can be done about it.

I come now to the dilemma of the Vice Regal Salute. The Queen is in no doubt that the sensible solution is to have six bars of "God Save The Queen" followed by eight bars of "Advance Australia Fair." But what is sense is not always practical politics. The Queen understands that you might find it difficult to ask the Prime Minister for formal advice in this matter and recognizes the reasons for your hesitation in doing so. She believes, therefore, that the best solution would be for you to establish the Vice Regal Salute on the 6/8 formula and commend it to your State colleagues. She has no objection to your letting it be known privately, both to the Prime Minister and the State Governors, that this solution is one which is acceptable to her.

There was so much else in your letter which was of interest to The Queen but, as this letter is already too long, I will not comment on it except to say how interested she was to learn that Mr. Fraser may make an attempt to supplant Mr. Snedden. As you will know, we are in the same sort of situation here, only that it has developed into naked reality. Mrs. Thatcher is doing her best to supplant Mr. Heath. Have you any political ladies in the running in Australia ?

Your letters are much valued by The Queen and greatly enjoyed by her Private Secretary.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.



4 February 1975.

*My dear Private Secretary,*

I think I should give you some background material for the information of Her Majesty The Queen relating to the urgent development of proposals for Australian Honours and Awards.

The Prime Minister has quite firmly decided that he wishes to introduce a new system and to make awards under it in time for The Queen's Birthday. He has not previously been firm in his mind about such a system but in recent times has become a strong supporter of its introduction.

I have no doubt that it became abundantly clear to him as a result of the Darwin disaster that it was unfair that worthy citizens should have no recognition at all in two Australian States and in the Commonwealth and its territories. I have had detailed discussions with him about the proposed scheme and have made some suggestions which he has accepted.

I should say that I did discuss frankly some of the political aspects of his proposals. I took the liberty of raising the possibility of a political or constitutional crisis occurring before The Queen's Birthday with the possibility of a change of government.

This contingency was discussed amicably and frankly but the Prime Minister naturally took the point of view that until there was an election at which he was defeated - a prospect which he does not recognise as being by any means likely - he must govern, and he would on all matters wish to make his decisions and take the political consequences of them.

.../2

It is in this spirit that he puts forward his proposal for the new Honours system. He says quite frankly that for the system to be upset an election would have to be successfully forced upon him and his opponents would have to win it. They would also have to take the step of advising The Queen to rescind any scheme for an Australian Honours system.

He is convinced himself that if such a system were introduced a new government would not seek to abandon it. He attaches a great deal of significance to the establishment of an Honours system of integrity and quality. He hopes that the first awards will be made to people of undisputed eminence and distinction and a system of the kind which he is proposing would, he believes, be very difficult to abandon.

He attaches great importance to the fact that under the new scheme a distinguished Council of neutral and impartial persons would be recommending the awards and that it would be difficult for any Prime Minister to seek to regain for himself the right to make recommendations.

In discussing all of these matters it was quite apparent to me that the Prime Minister is most anxious for the Order to be a very distinguished one and he is relying on me, should it be established, to ensure that it is.

The second political point which I discussed with the Prime Minister is the obvious one that four of the State Governments may refuse to nominate members of the Council. He is reconciled to this and believes that it will probably happen. He sees no prospect of real improvement in his relations with the State Premiers of the kind that would produce a unified approach to the Honours system. He is reconciled to the continuance, in four of the States, of British Honours awarded on the recommendation of State Premiers and accepts the view that the two Honours systems will have to be operated at the same time.

He believes that the new Australian Order will become popular if it is properly administered and that the future must be left to look after the question of what happens about the continuance of the British system.

In other words he has, I believe, fully and frankly faced up to the prospect that the Australian system may, at the beginning, have to be conducted without the co-operation of four of the States but he believes it is necessary for Australian purposes and for the purposes of two of the States.

As to the matter of urgency, I know that he is under pressure from Tasmania and South Australia because I myself have had the matter raised with me, both by the Governor and the Premier of Tasmania and I understand the same situation exists in South Australia.

The problem in these two States is that the Labor Party at the national level has adopted a policy of opposition to British Honours and it is frankly recognised in both of these two States that if the Federal Government were defeated they would still be bound by the Australian Labor Party national level decision about Honours and they would not be able to make recommendations for British Honours. This is one reason why they want a new Australian system introduced as a matter of great urgency.

So far as the Prime Minister is concerned, now that he has come to recognise the importance of having an Honours system, he feels that it would not be proper or desirable for him to hold off for any significant period of time.

His reference to his desire to speak as soon as possible in Parliament reflects a wish on his part to present his government as being one that not only supports an Honours system, but supports one operating with the approval and under the authority of The Queen and in an impartial way.

I am myself impressed by the need to have an Australian system. I have never been able to see how it would be possible to attach, at this stage, a condition to its establishment which avoided the constitutional problems raised by the States who wish to retain the British approach and British awards. The general political situation here, as between the Australian Government and certain States, may hold out little hope of co-operation but it is not impossible for it to develop.

On the point that I mentioned that some of the States may opt not to nominate representatives the Order could, of course, be administered in such a way that if any State at any time changed its mind and wanted to participate

in the scheme steps could be taken to ensure its immediate entry into the Council and in due course the awarding of Honours, subject to the Council's opinion and recommendations, to persons nominated by that State. Of course, persons from all States will be recipients under the system but in cases where States have not themselves indicated a desire to participate in the governance of the Order the recommendations would be made on the nomination of other institutions than the State Governments themselves. In a Federation this is inevitable.

I appreciate, as everyone does, that there would be difficulties in administering the two systems side by side but it is better, as I see it, to face those difficulties than to have no Australian system at all.

One point which will have to be considered by the Council of the new Order, if it is set up, is that in making awards it will presumably have to take into account that in perhaps four States recommendations will be made to Her Majesty through the Foreign and Commonwealth Office for the usual quota of British awards and it would probably not be thought to be fair that in those States proportionate allocations within the Australian Order should be recommended. Some balance would need to be struck. But this would be a matter for the Council to consider and I would have the intention of ensuring the Council would be comprised of most eminent and distinguished Australians including, if he were willing to accept a position on it, the former Governor-General, Sir Paul Hasluck. The Council can be relied upon to do justice on this important question of balance in the operation of the two systems.

When the Council comes to consider recommendations for the Birthday List it will certainly be able to do a good job to produce a distinguished list but if it is not able to consider all proposals, especially for membership and the rank of officer, it can go as far as the limits of time permit and remaining proposals can then be processed between the Birthday List and the first list next year. Incidentally, Australia Day may be a good day for the January awards but I have not discussed this, as yet, with the Prime Minister.

I should mention one point upon which I insisted. In the original draft presented to me the burden was placed upon the Governor-General, in the absence of a nomination from the Premier of a State, to appoint some person to represent that State. This seemed to me to be an intolerable burden to place on the Governor-General who would immediately find himself the subject of criticism for purporting to appoint a representative of a State when the Government of that State declined to have a representative.

The new draft, on this point, avoids this problem.

I hope that the Prime Minister will, in due course, see that so far as the Table of Precedence is concerned, provision should be made for inclusion in it of distinguished Australians honoured by The Queen within the Australian system. If he comes to see this it may be, though I have no real reason for anticipating it, that he would reconsider what has been done about previous recipients of Honours from The Queen and Privy Councillors who have been deprived of a position in the Table.

There is one other matter which I think I should mention. In my discussions with the Prime Minister recently - in fact in every discussion that I have had with him since his return to Australia - he has mentioned the matter of the vice-regal salute. I have told him that it appears to me that the question which has to be settled is whether he is prepared to give me the appropriate advice to adopt the Canadian system or intends to leave the responsibility for such a decision to rest upon my shoulders.

The more I think about this the more certain I am that it would not be good for the Governor-Generalship for me to take this step without the support of his political advice.

In my discussions with him on the subject of the new system of Honours I said that the occasion of the introduction of such a system, based as it is on Canadian precedents, might be the occasion, as well, for him to advise me about the vice-regal salute, making the point that it, too, would be based upon the Canadian precedent. He said that he would welcome the two matters being dealt with together and that he would be prepared to give me the advice on the second matter as well as on the proposed Honours system so that I could seek The Queen's approval for both changes being announced at approximately the same time and justified substantially by the successful working of the Canadian precedents.

He is anxious for a decision to be made about the vice-regal salute before Anzac Day, 25 April. I am entirely happy to co-operate with him on this provided that I have The Queen's approval and provided that he advises The Queen and myself that it would be an appropriate step to take at this time.

Should another government take a different position on the matter and give different advice later I certainly, and I believe Her Majesty as well, would be in a better position if the steps taken now were taken on political advice.

As to the development of unity within Australia on these touchy matters the unfortunate fact is that they are being used on both sides, in the emerging polarisation within the country, for general political purposes.

Nevertheless the successful establishment of an Australian system of Honours which could - and should - become highly respected if it is well administered may help to defuse politics in this area. I should imagine that within an Australian Honours system the Council would have to consider immediately the question of the position of State Governors as members, at the appropriate level, of the Order of Australia. One would hope that no Premier would try to prevent his Governor from accepting an award.

I cannot, of course, foreshadow what the Council of the Order may advise but as I have said I should imagine that very careful consideration would have to be given at an early stage to the position of the State Governors within the Order. However, these delicate questions will all have to be thought about by the Council once it is operating.

On the whole I feel that it is desirable, both for the Order and the other proposed systems of awards, to be inaugurated and for this to be done with urgency.

We all, of course, hope that the first investiture will be held by Her Majesty during a visit to Australia and despite the incongruity arising because of the accumulation of awards made between her birthday in 1975 and the Jubilee in 1977 we would unquestionably desire to wait, if necessary, until 1977 for an investiture by The Queen.

The details of this could be worked out later.

Her Majesty may not wish to have an investiture covering everybody at all levels to whom awards had been made under the various systems between now and the Jubilee, in which event I could doubtless conduct an investiture for the more junior awards.

I would be grateful if you would assure Her Majesty of my continued loyalty and humble duty.

Yours sincerely,

JOHN R. KERR

P.S. One point of difference between the Canadian Order and the proposed Australian Order is that under the former the Chief Justice of Canada is the Chairman. Under the Australian scheme the Governor-General appoints the Chairman. The reason for this, I have been told, is so that a jurist will not always be Chairman of the Honours Council, especially one appointed by office who could be there for many years. I would, in fact, invite our present Chief Justice to be Chairman and I think he would, on that basis, understand the policy of having Chairmen of different professions or positions in society over the long years. On the whole I think the Australian proposal is better but the argument can be strongly put either way.

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON.      ENGLAND.

DECODE OF A CABLE RECEIVED FROM THE PRIVATE SECRETARY  
TO THE QUEEN ADDRESSED TO THE GOVERNOR-GENERAL ON 4  
FEBRUARY 1975.

FEBRUARY 3 1975. REPLY TO YOUR LETTER DATED 4 JANUARY IS  
BEING ~~DE~~SPATCHED TODAY. IN THE MEANWHILE THE QUEEN APPROVES  
YOUR ABSENCE FROM AUSTRALIA FOR YOUR ATTENDANCE AT THE  
CORONATION OF THE KING OF NEPAL AND FOR THE OTHER VISITS.



PERSONAL  
AND  
CONFIDENTIAL

Admiralty House,  
Sydney. 2061.

4th January 1975

I left on Thursday, 2nd January, to visit Darwin where I stayed until late on 3rd January.

Before referring to the future handling of the Darwin situation in detail, may I thank Her Majesty The Queen for her very kind and sympathetic message on behalf of herself and The Prince Philip. The message was released by me to the Australian people through the media. The nation and the people of Darwin were without question grateful to Her Majesty for her message.

I shall not go into elaborate details about the devastating character of the disaster which hit Darwin. You will already know what happened. I should say, however, that it is impossible to imagine the destruction relying simply on film and report. It has to be seen to be believed. The city is flattened. In the circumstances, it is amazing that the deaths and casualties were relatively low. This was because it was night and most people were at home and able to take some precautionary measures in some appropriate part of their home.

The National Disaster Organisation, which was only recently formed sprang into action very quickly and Major General Stretton, the Director General of the organisation went immediately to Darwin. With the aid of the Services, the Public Service, the Police who were strengthened by detachments from the States, civilian airlines and other bodies - and of course many volunteers - the emergency was handled both speedily and efficiently. Ships from the Fleet sailed almost immediately, the flag ship HMAS Melbourne included. I have taken the step as Commander in Chief of issuing an Order of the Day to the Armed Services. I attach a copy.

It is estimated that about 45,000 people were probably in Darwin when the cyclone hit the town. The true figure is not known because many were out of Darwin on holidays. Within a week about 30,000 were evacuated to other cities including a few thousand who got out themselves by driving south. About 10,000-15,000 people are thought still to be in Darwin. A census is to be taken to check upon this figure.

.../2

Plans have been agreed to by Cabinet for the post emergency phase including, of course, the planning and ultimate rebuilding of the city and continued relief activity of various kinds.

On 26th December I indicated an immediate willingness to visit Darwin, but having regard to the extreme difficulties being faced by the authorities there I accepted advice to the effect that a Vice Regal visit should await the completion of the early stages of the emergency and in particular the major evacuation. My advice included the suggestion that I should await the arrival at Darwin of HMAS Melbourne and other units of the Fleet. They arrived there from 1st to 3rd January. It was thought that a visit by me could best be handled after the Fleet arrived so that I could be accommodated on the carrier without complicating by my presence the relief problems of the city. I stayed on the carrier on Thursday night.

Until now it has been extremely difficult, even for the Ministers carrying direct responsibility for the political side of the operations, to stay in Darwin overnight. My advisers took the view that it would be better for me to symbolise by my presence the end of the emergency phase and the resumption of ordinary civil administration. This occurred just before my arrival on Thursday. Ceremonies of a limited kind indicating the effect of the changeover took place on my arrival. The Acting Prime Minister, the Minister for the Northern Territory, the Postmaster General and the Leader of the Opposition were all present in Darwin for my visit. The Administrator, the Mayor of Darwin and the Commissioner of Police organised my tour of inspection.

The handling of the Darwin problem did not depend on the existence of any special legal powers nor upon the declaration of any legal state of emergency. Since Christmas Day what has been done has been the result of leadership and persuasion, there being no compulsory powers of a legal kind on which to rest the handling of the crisis.

From now on however, it is expected that more and more people will tend to wish to stand upon their legal rights with the results that it may be difficult to move people physically out of Darwin who do not wish to leave. However, there is considerable confidence that the next stage can begin without too much difficulty. Underlying legal powers of compulsion can be and are being provided. Morale is so far very high.

If too many former residents seek to return to protect their business or other interests there may be difficulties. There is a legislature in the Northern Territory which is passing the necessary laws to enable the next stage to be properly and legally handled. The Commonwealth Parliament will be meeting on 11th February and will pass legislation to set up a body to rebuild Darwin.

The main purpose of my visit as things stood was to express sympathy to the remaining citizens of Darwin and to those who have left, and gratitude to the people of Australia for their most generous response and to symbolise by my presence, accompanied as I was by the Acting Prime Minister, the end of the first emergency phase and the re-establishment of orthodox civilian control. General Stretton and his staff left the day before my arrival "handing over" to His Honour the Administrator.

I had already visited, in Sydney, evacuees who had been injured and were in hospitals there. The arrangements appear to be quite satisfactory. Most want to go back to Darwin.

So far, not only has morale in Darwin and amongst evacuees been high and the generosity in the rest of Australia great but, especially with the arrival of the Navy and the use of its personnel in the clean up, the first small beginnings of renewal are appearing. However, the Fleet cannot stay indefinitely and the clean up operation is so vast that emergency labour forces are going to be necessary. There is already in Darwin the core of a labour force put together voluntarily from the men and women who remained. This has got the debris off the main roads and streets and has partially restored water supplies, sewerage and electricity. But the existing labour force will be inadequate for the main task of clearing the shattered suburbs and restoring some emergency accommodation.

In conversation on Thursday night in Darwin with Rear Admiral Wells and the Acting Prime Minister it became clear that the Navy could not be expected to stay for more than about one month. Another disciplined force such as the Army probably cannot be used (though this doubtless will be considered) and recruitment of a special civilian labour force will be desirable, indeed necessary. The new organisation set up by the Government to plan the new Darwin and the emergency organisation being established by the Northern Territory authorities in Darwin may find it appropriate to call for civilian volunteers to man an expanded civilian labour force.

Evacuees from Darwin are expected to want to go back, indeed the likely position is that thousands will demand to go back to see to their homes, interests, businesses and so on. There is a permit system operating at the moment but this will hardly be able to hold back the flood of returning evacuees. Politically it could well be that the best thing to do is to allow back immediately several thousands willing to "live hard" for a few months to help those there to clean up and arrange temporary accommodation.

Naturally there is a fear that temporary accommodation may become permanent and the Government's town planning advisers are worried about this. But the pressures at work and emerging will doubtless force some short term activity upon the authorities. The future will have to determine what happens to temporary structures.

I took the liberty of telling the citizens in Darwin that Her Majesty has been deeply moved and is very concerned about their plight, and that I had no doubt was very proud of what they and the rest of Australia had already done.

There will be a considerable number of "heroes" who should be acknowledged and rewarded. This will have to be sorted out. I do not know how the Prime Minister will deal with this on his return. The Northern Territory is squarely within the field of the Australian Government but it is administered locally by the political opponents of the present Australian Government. The Labor Party lost all its seats in the recent election for the Northern Territory Legislative Assembly. Canberra is strongly disliked in the Northern Territory in much the same way and for much the same reasons as apply in Queensland and Western Australia. Indeed, this morning's press carries a story to the effect that leading Darwin citizens are to begin an action in the Supreme Court in the Northern Territory on Monday, to endeavour to prevent the great sums of money which have been collected for relief in Darwin from being taken over or controlled by the Commonwealth Government. Suspicion is already emerging that this money may be used to mitigate the financial burden falling upon the Government. There is, of course, no intention of the Government to do this, though it has set up a Committee to co-ordinate the use of the relief funds. The point is that already the built in tensions between Canberra and the Northern Territory are beginning to appear again.

On my arrival at Admiralty House Mr Heseltine was here and I have given him a little more background to Darwin's troubles. (We also had a conversation on general matters which was most useful to me.)

Incidentally, the photograph of The Queen and The Prince Philip dated 1974 and signed by both, given by The Queen to the city of Darwin - framed in a black frame - has been badly damaged and the city would be deeply honoured if a replacement could be provided. If one could be sent urgently I could get it to the Mayor. It would be very well received in Darwin.

May I accept this opportunity to add some observations about one or two other matters.

With regard to the new Order of Precedence and my telegram to you on that subject I should like to say that the Prime Minister apparently suddenly decided whilst in London to put his proposals directly to The Queen although we had not actually reached finality in our discussions at this end. I was asked by telegram to submit the proposals to The Queen with my support which, as you know I did. It was in the circumstances difficult to provide you with full background information though I referred to the position of Privy Councillors and Knights. There were in effect one or two other matters, one affecting the heads of churches, and the other the relative position of President of the Senate and the Speaker of the House of Representatives. At the time of the visit of The Shah, the Prime Minister

sought to alter their relative positions giving precedence to the Senate though the President had always previously enjoyed precedence over the Speaker. The Prime Minister instructed those organising the welcome of The Shah at the aerodrome and later at Parliament House that the Speaker was to take precedence over the President and this was done. We were also told at Government House that this had been arranged and were asked to accept a similar set up at our table and for other purposes. All this happened at the last minute and in order to avoid invidious problems which would have appeared from different arrangements being made by the Government and in Government House I accepted on a temporary basis the request made by the Prime Minister, though I realised there would be trouble in his Party. In fact there was and the decision, after the departure of The Shah, was reversed by the Prime Minister because of discussion in his Caucus which led to the conclusion that no change should be made from the established Order of Precedence so far as the President and the Speaker were concerned until the matter had been reported on by some Committee of the Caucus. I have not been told officially about this Caucus decision and its outcome, but have read of it in the press. However, the President and the Speaker have been seated again at Government House in the old Order of Precedence and the same applies so far as I know at Parliamentary functions. The Prime Minister, as you will have noticed from the new Precedence proposals has sought to alter the position and place the Speaker ahead of the President if the former had been appointed to office earlier than the latter. I do not think that this has had the support of Cabinet or Caucus or of any Committee of either, but I have not been so informed.

As you will have gathered from my telegram I had firm advice from the Prime Minister as to what I should say to Her Majesty on this subject and in my telegram of 19 December on his advice, I indicated that his proposal had my support. I feel, however, that the Senate and the Caucus will be sensitive about any interference with the old arrangements and that there could be difficulty here. I hope that the Prime Minister accepts full political responsibility for what he has done should such difficulty arise and does not fall back upon the support which I provided on his advice or upon Her Majesty's decision to accept his advice. I am confident that he will not.

It is extremely difficult for me, if I have firm and official advice from the Prime Minister and if I have the time, to do more than refer in a personal and unofficial way to problems of this kind. If he is clear in his own mind about what he wants to do and is prepared to run whatever political risks are involved, I feel that the responsibility and the problem have to be for him. Had he been in the country, I would have felt at liberty to ask him whether the matter had been discussed in Cabinet simply because I knew the background story of what had already occurred but it is difficult to "advise and warn" from a distance, though I should tell you that in my telegram to the Prime Minister I did indicate that I was disappointed that he was persisting in excluding Privy Councillors and Knights.

It was impossible for me by telegram to discuss the whole subject with him and I did not attempt to do so. I mention this matter in some detail because you may feel disposed to suggest to me improved ways of handling a matter such as this when the Prime Minister suddenly decides to act in England on a problem which has not been thoroughly and finally discussed before his departure. For example, would you have been interested to have had by telegram a more detailed account of the background to the proposal for a new Order of Precedence. Having regard to the time factor it would have been impossible to let you have more information in any other way.

So far as the National Anthem is concerned, the Prime Minister has not yet firmly advised me what to do about the Vice Regal Salute and I have left the matter to stand as it is for the time being. The question is should I regard this as a matter on which he should in the existing constitutional political situation in Australia give me formal advice, or should I deal with the issue myself without it. If he were to advise me formally to adopt the suggested new Vice Regal Salute as referred to in my letter to you on 9th September and your reply of the 14th September I should feel compelled to act affirmatively in the way you suggested. I have explained the background of this to Mr Heseltine who will on his return give you some details about what happens on some occasions when I receive the Vice Regal Salute. It would be a very great assistance to me, if I were to act without formal advice from the Prime Minister (which would probably be the better way of doing things) to be able to say that the matter has been discussed with The Queen and that what I am doing has her approval. This would lift the matter out of politics if properly explained to the people. If I make a change because I have been formally advised to do so the question will remain a matter of political disputation. I was very grateful to have in response to my invitation your views on what I should do, but it was not clear to me whether what you said left me in the position of being able to say that a change by me along the lines discussed had Her Majesty's approval. The alternative way of handling things would be to do nothing for the time being and to see what happens politically. I am in a position of course, to talk informally to the Leader of the Opposition but there is little point in doing so because he would almost certainly be bound to act consistently with the views of the Premiers who belong to his own Party or to the Country Party.

This brings me to refer to the political position in the country which may have changed to some extent because of the Darwin disaster. The handling of the matter, so far, by the Government and the administrative organisations has been very effective. Enormous sums of money will be needed in the years to come and these will have to be made the subject of supply and appropriation. They could be mixed later in the year with other financial needs of the Government in such a way as to make it more difficult for supply to be denied. The Government is in any event, I understand, working on ways and means, apart altogether from the Darwin difficulties, to make it hard for the Opposition to deny supply.

The indications are that Mr Fraser may try again early in the new year to unseat Mr Snedden. He has considerable support for such a move so far as I can gather. I called upon Sir Robert Menzies on the occasion of his 80th birthday and had a long conversation with him. He appears to be his general bright self although he was confined to bed. For what it is worth, though he is not in active politics, although he is obviously very well informed, he believes that a further move should and will be made on Mr Fraser's behalf and that it probably will succeed. He has misgivings about the use of supply to achieve an election this year but thinks that if one is held the Government will be defeated.

It is, as you can see, very difficult to assess the likely political position over the next six to eight months, complicated as it is by difficult economic problems, the leadership issues within the Opposition, supply problems and constitutional issues.

I have passed on to the appropriate authorities the request that Her Royal Highness The Princess Anne and Captain Philips should not have their programme overloaded and I will do my best to ensure that attention is given to this matter.

Plans for my visit to the Coronation of the King of Nepal with an accompanying goodwill visit to Afghanistan, Iran, Pakistan and India have reached the point where I feel that I should ask Her Majesty for her approval for me to undertake the State visits that are being planned. As I shall be in Nepal, if Her Majesty will permit me to be present at the Coronation, it seems to my advisers here that the other State visits should be undertaken. I should be absent for rather more than three weeks and His Excellency the Governor of New South Wales would be Administrator during my absence.

I should be grateful if you will assure Her Majesty my loyalty and humble duty.

Lieutenant Colonel The Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.

ORDER OF THE DAY TO THE DEFENCE FORCE  
BY THE GOVERNOR-GENERAL AND COMMANDER-IN-CHIEF

I have just completed an inspection of Darwin and have seen at first hand the devastation and loss caused to the city and its people by the recent cyclone.

I have observed with much personal satisfaction the efforts that have been made by Members of the Defence Force stationed in Darwin to restore their facilities.

They have now been joined by men from the Fleet and together they are assisting the civil authorities in clearing up and making essential services operative again.

Elsewhere in Australia many Servicemen and women willingly responded to a recall to duty and others voluntarily offered their services to assist in relief operations. In many cases this was at much personal inconvenience in the holiday period.

All Australians will appreciate the ready contribution the Services have made to the relief of Darwin, particularly the swift air movement of relief medical teams and casualties; evacuation of people by Service aircraft; the ready response by staffs of Stores Depots in providing relief stores; and the early sailing of a large proportion of the Fleet.

I commend all Members of the Defence Force for their instant response and willing participation in the Darwin relief operations. I am confident the people of Australia join with me in public recognition of this splendid effort.





BUCKINGHAM PALACE

PERSONAL AND  
CONFIDENTIAL

17th December, 1974.

*Dear Governor General*

Thank you very much for your letter of 10th December which I was able to show The Queen this morning and which Her Majesty read with close interest. It is very useful for The Queen to have your comments on the political scene in Australia so soon before Mr. Whitlam's arrival.

\* I gather that the Prime Minister has every intention of raising the matter of an Australian system of Honours with The Queen when he lunches with Her Majesty on Friday, and I have just received your telegram to say that I may expect a letter from you on this subject. I shall be very glad to receive it as the question is not at all an easy one having, as it does, political and constitutional significance.

I shall, of course, write to you after Mr. Whitlam's visit to let you know what transpired.

Miss Morosi was figured in the British press the other day and was described as the centre of a political scandal and so The Queen was not altogether surprised to read what you had to say about her in your letter.

The Queen thanks you for your message and sends you her best wishes.

*Yours sincerely  
Marina Chantain*

His Excellency the Governor-General  
of Australia.

(\* See separate file.)

DEPARTMENT OF FOREIGN AFFAIRS

OUTWARD CABLEGRAM

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FM. CANBERRA /

C O N F I D E N T I A L

TABLE OF PRECEDENCE

FOR THE PRIME MINISTER  
FROM THE GOVERNOR GENERAL

'STILL DISAPPOINTED THAT PROPOSED TABLE OF PRECEDENCE MAKES NO PROVISION FOR THOSE WHO HAVE BEEN OR WHO MAY BE HONOURED BY THE QUEEN. HOWEVER, AS THIS VIEW HAS BEEN PUT TO YOU AND YOU HAVE DECIDED TO EXCLUDE IT I HAVE FELT IMPELLED TO PUT THE PROPOSED TABLE TO THE QUEEN, ON YOUR ADVICE, WITH MY SUPPORT. PALACE WILL NO DOUBT NOTE THE OMISSIONS, PARTICULARLY IN VIEW OF THE OTHER MATTER YOU WILL BE RAISING WITH THE QUEEN.'

OFFICIAL SECRETARY TO GOVERNOR GENERAL

*Original on 6/12/36*

CONFIDENTIAL

CONFIDENTIAL

Text of Telegram sent in code to Sir Martin Charteris,  
Buckingham Palace, London.

PERSONAL AND IN CONFIDENCE

HAVE CABLED YOU FORMAL ADVICE OF MY SUPPORT FOR PROPOSED NEW AUSTRALIAN TABLE OF PRECEDENCE WHICH THE PRIME MINISTER WILL SUBMIT TO THE QUEEN TOMORROW STOP I FORESHADOWED THIS IN MY LETTER OF 8 NOVEMBER STOP I MENTIONED DIFFICULTIES IN EARLIER DRAFTS STOP THESE NOW SATISFACTORILY RESOLVED STOP HOWEVER, YOU WILL NOTICE IN NEW TABLE COMPLETE OMISSION OF PRIVY COUNCILLORS AND RECIPIENTS OF KNIGHTHOODS AND OTHER DECORATIONS AND HONOURS STOP IN MY VIEW PERSONS HONOURED BY THE SOVEREIGN, WHETHER UNDER PRESENT OR FUTURE HONOURS SYSTEM, SHOULD HAVE A PLACE IN TABLE OF PRECEDENCE STOP FURTHERMORE, PERSONS ALREADY ENJOYING A PLACE IN TABLE OF PRECEDENCE SHOULD NOT BE DEPRIVED BECAUSE OF A CHANGE OF POLICY AS TO FUTURE CREATION OF PRIVY COUNCILLORS, KNIGHTS, ETC. STOP I ATTEMPTED WITHIN CONSTITUTIONAL LIMITS TO PERSUADE PRIME MINISTER NOT TO EXCLUDE THESE CLASSES STOP UNABLE TO OBTAIN AGREEMENT OF PRIME MINISTER AND HAVE THEREFORE FELT IMPELLED TO SUPPORT TABLE IN THE FORM IN WHICH HE FINALLY ADVISED ME STOP NO DOUBT YOU WILL SEE THE CONNECTION BETWEEN ESTABLISHMENT OF PROPOSED NEW HONOURS SYSTEM AND CONTINUED RECOGNITION OF THOSE WHO RECEIVE OR HAVE RECEIVED HONOURS FROM THE QUEEN STOP

JOHN R. KERR

19 DECEMBER 1974

*Original on 6/12/36*

Text of Telegram sent in code to the Private Secretary  
to The Queen.

PRIME MINISTER WILL BE SUBMITTING PROPOSED NEW  
AUSTRALIAN TABLE OF PRECEDENCE TO THE QUEEN  
TOMORROW STOP WOULD YOU PLEASE ADVISE THE  
QUEEN THAT THE NEW TABLE HAS MY SUPPORT STOP

GOVERNOR-GENERAL

19 DECEMBER 1974

*Original on 6/12/36*

PERSONAL AND CONFIDENTIAL



BUCKINGHAM PALACE

4th December, 1974

*Dear Governor General*

I find to my regret that I have two letters from you which I have not yet answered: those of 8th November and 22nd November. I will reply to both in this letter and I hope you will forgive me for the delay in answering that of 8th November.

The Queen has read your letters with much interest.

Her Majesty hopes that you found The Shah and Shahbanou agreeable guests. The Shah is inclined to treat all conversations as if they were political meetings, but he is extremely intelligent and very well informed. The visit seems to have been very successful, and so seems to have been that of the Prime Minister of Japan. I hope his fall from power will not affect the goodwill towards Australia as a result of the visit.

Your account, started in your first letter and finished in your second, over the position of the Treasurer has been of much interest to Her Majesty. I cannot think of any exact parallel here to the problem you were faced with over the Prime Minister's wish for an announcement of the changes of office to be made so long before they became effective. The remarks you included in the press statement seem at any rate to have had the right effect.

I know that The Prince of Wales was extremely grateful for your understanding attitude and advice, as well as that of the Prime Minister, over the question of the property. Your involvement was nothing but beneficial and certainly caused no embarrassment here. It is the greatest pity that it does not seem practicable for this project to come to fruition at the present. We must all hope however that, with a change of the economic climate, it may be possible for it to do so in the future.

As far as I know, the petition from the Queensland Government to the Privy Council has not yet arrived. When it does I fear we shall find ourselves in the same difficulty as we did over that from Tasmania about the petition on rights to the sea bed; that is to say that both The Queen's Australian Ministers and her United Kingdom Ministers will consider that they have not only a right but an obligation to advise her. I do not see how this dilemma can be resolved, unless it is resolved in Australia, and I suppose it would be unrealistic to believe that that is a political possibility at the present time.

Your plans to travel widely in Australia will, I am sure, be of great value, and I only hope they are not too exhausting. I cannot remember how well acquainted you are with Papua New Guinea, but in any case I hope your pre-Independence trip comes off, as it is a fascinating country.

If there is to be any question of inviting a member of the Royal Family to attend the Independence ceremonies, the invitation should not be too long delayed, as everyone is now at work on their programmes for next year.

This now brings me to your letter of 22nd November which arrived a day or two ago.

Mr. Emerton, accompanied by Mr. Tim Macdonald from Australia House, came to see me some days ago to discuss the matter of the establishment of an Australian Honours system, on the same lines as the Order of Canada.

The Order of Canada is, I think, proving a success but I think we have to recognise that any new system of Honours, or a new Order in an existing system, takes quite a long time, perhaps a generation, to become firmly established in the hearts and minds of the people. This reflection is not put forward as an argument against introducing a new Honours system but to emphasise the difficulties in doing so.

In introducing the Order of Canada, the Canadians also had an advantage which Australia will lack. There was a vacuum to fill, and moreover a vacuum which had existed for a number of years.

I agree with you that it is difficult to see how two systems of Honours, an Australian Order and the United Kingdom Honours could exist together, and it would seem that the best solution would be for an Australian Order to be established and British Honours to cease, provided this was accepted throughout Australia.

I am sure that this is something to which The Queen would give her full support.

In this matter, however, I fear we shall find ourselves in the same dilemma as over the petitions. The United Kingdom Government inescapably comes into it in that The Queen gives United Kingdom Honours to certain States on the advice of the Foreign and Commonwealth Secretary.

In spite of the difficulties, I am, like you, hopeful that a dignified method can be found of achieving a satisfactory answer.

As to the question of having in the new system some method by which The Queen can make awards without Ministerial advice, as Her Majesty does with the Royal Victorian Order, I wonder if it would not be practicable for the Royal Victorian Order still to be used. It is, after all, wholly within The Queen's gift and the United Kingdom Government

have nothing whatever to do with it. There could be an understanding that only Classes III, IV and V should be used and this would avoid any question of the accolade. Incidentally, it has now been accepted that The Queen can give Royal Victorian Order awards of Class III and below in Canada.

Lastly, there is the question of LAWASIA. The Queen certainly has no objection to your becoming a Patron of this organisation. She thinks it proper and appropriate that you should do so.

Her Majesty sends you her very best wishes.

*Yours sincerely*

*Martin Chantem*

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His Excellency the Governor-General of Australia.

10 December 1974.

*My dear Private Secretary,*

I write to mention a few matters which may be of some interest.

First, as you will have doubtless seen in the press, the recently concluded Queensland elections were a disaster for the Australian Government and particularly for the Prime Minister. He threw himself into the campaign in Queensland with enormous vigour, after accepting a challenge from Mr Bjelke-Petersen to enter the campaign and to fight on Federal issues - or rather, on Federal/State issues.

Queensland is the State which, above all others, resists what are called the ideas of centralism said to be rampant in Canberra. The Prime Minister campaigned more vigorously in Queensland, so it is said, than he has ever done in a Federal election.

The issues upon which the election were fought were squarely posed as issues upon which the Government in Canberra was challenged. In the result, the Labor Party suffered enormous losses - possibly as many as 22 seats - and the likely state of the House in Queensland will be National Party 37 seats, Liberal Party 32 seats, Labor Party 11 seats and Independents 2 seats.

As between the National Party and the Liberal Party, who have formed the coalition, the National Party still maintains the dominant position and Mr Bjelke-Petersen will continue as Premier. This of course will have its consequences in Federal politics.

There were suggestions during November that the Opposition at the national level should force yet another election by rejecting some important part of the Budget, thus seizing an opportunity to capitalise on the very rapidly growing unemployment and the continuing heavy inflation. However, a couple of weeks ago, Mr Snedden's leadership was challenged by a group in the Liberal Party in favour of Mr Fraser. Mr Snedden survived.

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The voting figures are not known but it is commonly said that they were much closer than political gossip at first suggested. In the result, the Budget was passed through Parliament and the Government has survived without an election until next year. Mr Snedden's position, though he survived, is thought by many to have been weakened and it remains to be seen whether or not he will be challenged again early next year.

In the last week of Parliament an as yet unrevealed scandal broke out affecting the Treasurer and the Attorney-General. It would not be right for me to repeat rumours and gossip but the incidents which have so far been publicly discussed involve the appointment by Dr Cairns, as Treasurer, to his staff of a Miss Morosi and the appointment of her husband by the Attorney-General as a part-time member of the Film Board. Should it become necessary for me to provide you with more detailed particulars of this matter I shall do so.

It appears to be certain that in the last week of the sitting of the Senate this issue will be fully debated and if any exposures can be made in Parliament they doubtless will be made. The Labor Party Caucus members appear to have forced Dr Cairns not to employ Miss Morosi and she has stated that she is not now going to work for him though he has said that he is quite willing to employ her.

I mention this matter not because of its intrinsic significance - we do not yet know the details - but because it has stirred up an enormous amount of discussion in the press, in the political parties and in the lobbies and could blow up into something much bigger. Even so, it would be hardly worth discussing in such a letter as this were it not for the fact that, combined with the disastrous election results in Queensland, unemployment now above the 200,000 mark and said to be still rising rapidly, and problems of economic policy and of course inflation, the government is very much on the defensive. In that kind of situation an incident such as the Morosi incident, if there is anything in it, can add to the determination and drive of an Opposition. All of these developments early next year could result in the denial of Supply towards the end of the first half of 1975.

I have been brought up to date on the discussions which have been taking place here for proposals to be put forward about an Australian Honours system. The Prime Minister, I understand, will be raising the matter in London.

The Labor Government in South Australia discussed a possible Honours system for South Australia. It was not very well received according to discussions in the press. The Leader of the Opposition in South Australia said he would wish to re-establish the old system and those who support the Labor Party did not seem to like the idea of bringing forward a State system. Commonwealth/State relations may deteriorate further after the Queensland election. The conservative parties will probably wish to retain the old system and re-establish it at the Commonwealth level and in the States at present controlled by the Labor Party when and if they get the opportunity.

Nevertheless I believe that it is still quite likely that the Prime Minister will be interested to propose an Australian Honours system and he will probably want me to put something before Her Majesty. All I should say in this letter is that if it were decided to establish an Australian Honours system, similar to the Canadian system, I should of course be willing to play a role in such a system similar to the role played by the Governor-General of Canada.

The central question I should imagine will be whether The Queen will be willing to indicate that, having regard to the advice she is to receive from the Australian Government, she would wish that such a system, once established, should be the only system in Australia for the future.

On this matter of the Honours system there was what is called here, and I do not doubt in London, a "leak" to the press about the nature of the system which it is proposed to put to Her Majesty. I feel convinced myself that this did not happen with the knowledge of the Prime Minister or the Department of the Prime Minister, but nevertheless it occurred. This provided an opportunity for some people to indicate disagreement, either because there should be no Honours system at all or because the old system should be re-established.

I am fully in the picture about the matters discussed in London recently by the Secretary of the Attorney-General's Department and Mr Emerton, who I understand also saw you about problems in the Honours area. These matters will be taken up in London by the Prime Minister.

In my letter of 6 September I mentioned the appointment of Mr John Menadue as Sir John Bunting's successor as head of the Department of the Prime Minister and Cabinet. The appointment aroused a great deal of comment, not only because Mr Menadue was appointed from outside the Public Service but because he had been private secretary to Mr Whitlam as Deputy Leader of the Opposition.

This morning saw the making of another controversial appointment, this time as Permanent Head of Mr Cameron's Department of Labor and Immigration. The appointment has gone to Dr Peter Wilenski, a career public servant with a distinguished academic record who has been an officer with the Department of Foreign Affairs and the Treasury. Dr Wilenski was appointed in December 1972 as Principal Private Secretary to the Prime Minister, and was earlier this year seconded as Special Adviser to the Royal Commission on Australian Government Administration, which is being headed by Dr Coombs. My understanding is that Mr Cameron's selection of Dr Wilenski came as a surprise to the Prime Minister, although, of course, Mr Whitlam supports the appointment.

These appointments of two former private secretaries of the Prime Minister as Permanent Heads of Departments has caused the Opposition to declare that it would have no reason to continue with Labor's political appointees to the Public Service in the event of the Liberal-Country Parties returning to government. Menadue has unsuccessfully contested a Federal election as a Labor Party candidate, while Wilenski sought Labor pre-selection, without success. The Opposition sees these two appointments to the senior levels of the Public Service as being too closely identified with party politics.

Would you please assure Her Majesty of my continued humble duty?

Yours sincerely,

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.

22 November 1974.

*my dear Private Secretary,*

There are one or two matters about which I feel it would be worthwhile to make some observations. In my last letter of 8 November I referred to the position of the Treasurer. There has been great speculation in the press over the period since that letter about the Treasurer and what was to happen.

The Government was put under some pressure, both in the media and in Parliament. The Prime Minister, throughout, resisted this pressure and refused to give support to the Treasurer or to give any clear indication as to what might happen.

Dr Cairns, the Minister for Overseas Trade, was out of the country for part of this time but he arrived back over the last weekend. Discussions took place which culminated yesterday in an arrangement for Dr Cairns to take over the Treasury and Mr Crean to take the portfolio as Minister for Overseas Trade. It was obvious that this was done reluctantly by Mr Crean.

The position has been for some time that Dr Cairns has been a dominant figure in general economic policy and that his views have prevailed over those of the Treasurer.

The main reason why the Prime Minister has wanted to have him at the Treasury is because he needs a strong Minister there to insist upon the sorting out of options before final Treasury advice goes forward. The result will be that Dr Cairns will be not only the one exercising the greatest influence on economic policy but he will be taking the direct responsibility in a much clearer way than was previously the case.

The Prime Minister saw me yesterday with a view to getting my agreement to the change in the Ministry. He did not wish to make the actual change until Parliament rises but he preferred to announce now that the change was to take place when Parliament finishes its business for the year.

One reason for this was that each of the two Ministers has legislative programmes half attended to in Parliament and he wished them to have the handling of the legislation which is to be got through Parliament by the end of its sitting, rather than they should each take over from the other their respective legislative duties during the next two or three weeks.

He also felt that it would be better if each continued to face Parliament and answer questions in their old portfolios, rather than their new, for the rest of this sitting.

This confronted me with a slight problem because his desire to announce the impending change now was to relieve the country of the speculation and uncertainty which had been allowed to arise. I had some difficulty about whether I should agree to an announcement being made in advance of the actual change but as the Prime Minister advised me that this was what he wanted I felt that I should take the advice but that I should indicate the rather unusual nature of what was happening by having included in the press statement the proposition that the announcement was being made at the present time, after discussions with me, on the basis that in all the circumstances this seemed to me to be the best course to follow.

The interpretation in due course placed upon this was that I had agreed because it seemed best to end the speculation and this is, in truth, why I did agree to the announcement and my reference to "all the circumstances" was really a reference to the continued uncertainty and speculation.

You will perhaps have had some conversations by now about a proposed Honours system for Australia. There has been some difficulty in the Labor States because of the absence of any system of Honours.

I have had discussions with the Prime Minister on this subject previously and it was only last night that he came around to the view that an Honours system, on the Canadian basis, would be the best scheme for Australia. There are of course problems because different political parties are in power in some of the States and all round agreement does not seem to be possible.

It is difficult to see how we could have two systems of Honours, an Australian Order and the continuance of the United Kingdom Honours.

Our political situation here is certainly not stable and there could conceivably be a change of Government next year, but if Her Majesty did come to the conclusion that an Australian Order, similar to the Canadian Order, could be

established here and that on that assumption British Honours should cease, an appropriately dignified method of going about things could, I have no doubt, be organised.

I would certainly be happy to play whatever role there is for the Governor-General in such a situation. I appreciate that there are real problems about making a decision as to a future Honours system in Australia but the absence of any Commonwealth Honours and the difficulties in South Australia and Tasmania have to be thought about.

An alternative would be delay until the political situation clarifies itself next year but I suppose, in the end, we have to face up in Australia to decisions of the kind already made in Canada.

I believe that the Prime Minister is likely to lay some stress upon an Australian Honours system now that he has made up his mind and I shall keep you informed as to how things develop here. One matter which needs some thought is whether there should be preserved or created within an Australian Honours system some method by which The Queen may herself reward those who serve her as has been done in the past through the Royal Victorian Order.

The Prime Minister will almost certainly not suggest any such provision but it may be possible to arrange for this as part of an overall agreement as to the best way to handle things. As Queen of Australia, Her Majesty could perhaps, if so minded, raise the matter.

Discussions about my proposed trip to Nepal and neighbouring countries are continuing and as soon as there is a final decision at this end and a proposed itinerary, I shall approach The Queen for her approval for me to undertake the trip. I cannot formally do so yet because we have not agreed on the countries to be visited.

There is in existence a body called the Law Association for Asia and the Western Pacific. It is an international body of lawyers, made up of representatives of law societies and Bar Associations from the various countries in the ECAFE area.

It has been in existence since 1966 and was established on the initiative of the Australian legal profession. It is quite a successful and respectable body which holds regular conferences of lawyers. These conferences have so far been held in Kuala Lumpur, Manila and Jakarta. The next conference is to be held in Tokyo in September 1975.

I was the Foundation President of this body, and after being President for four or five years I became the Immediate Past President, with a seat on its Council. Judges

were entitled to be members of the organisation and I remained both a member and the Immediate Past President up till the time of my appointment as Governor-General. I then took the view that I should not be a deliberative member of the Council of an international legal body after becoming Governor-General. I therefore resigned from my positions.

The Executive of the body, which is known as "LAWASIA", has inquired of me whether I would be prepared to be Patron. There is no position under the constitution for a Patron but they would like to amend their constitution so as to provide for that office and are inquiring whether, if they were to do this, I would be prepared to accept it.

It would, I think, be fair to say that I played a leading role in getting LAWASIA established and am something of an elder statesman in its affairs. The body is supported by the Australian Government and was also supported by the previous Australian Government. Indeed a small subsidy for the next two years has been given by the present Australian Government towards its finances. It is regarded as a communal experiment in regionalism.

If I were permitted to be Patron of the organisation I would not of course participate in any of its deliberations or any of its decisions. I would act as Patron in the same way as one normally does in connection with national bodies. The Patron is usually regarded as being above the controversies or differences of opinion which may occur within a body of which he is the Patron.

The authorities in Australia see no reason why I should not accept this office.

There are indeed no controversies, or at least have not as yet been any controversies, within LAWASIA. It has been run as a co-operative enterprise to enable Asian lawyers to meet and talk together about judicial and legal problems.

I appreciate that as Her Majesty's Australian Governor-General I represent Her Majesty in that capacity but this seems to be consistent under established practice with a wide range of patronage for many kinds of organisations.

The problem is whether there is any reason why, because of the international nature of the Law Association for Asia and the Western Pacific, I ought not to accept the patronage of that body.

I would not travel to any of its conferences unless on some occasion I were invited by the host country in my

capacity as Governor-General, in which event I would of course consider what I should do after discussions here in Australia and after putting the matter to Her Majesty for her approval. If I were to travel to a host country upon the invitation of its Government and as Head of State in the absence of The Queen, I would not participate in the deliberations of LAWASIA though I might feel at liberty, unless there is some good reason to the contrary, to take part in some ceremonial opening or other ceremonial proceeding.

My former colleagues in LAWASIA have said that they are most anxious for me to accept the office of Patron because of my association with LAWASIA from its inception. I should like to do this if it is permissible for me to do so and would be grateful to have your guidance.

If Her Majesty has no objection the Prime Minister and the Foreign Office here would also have no objection but would see some advantage in my accepting the invitation.

Would you please convey to Her Majesty my humble duty and respect.

Yours sincerely,

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.



Government House,  
Canberra. 2600.

8 November 1974.

*My dear Private Secretary,*

Now that the visits of Their Imperial Majesties The Shahanshah and The Shahbanou of Iran, His Royal Highness The Prince of Wales and the Japanese Prime Minister, are finished the time seems right for me to let you have a few comments from Australia.

First of all, may I say that I believe the visit of The Prince of Wales was a great triumph for him. He was well received everywhere and spoke very well publicly and on television. He was very much at ease in Government House and with the company we had at dinner and at a barbeque luncheon. His visit, I have no doubt, strengthened the affection and respect in which he is held here.

I had a number of interesting conversations with him and with Squadron Leader Checketts and was, if I may say so with great respect, very impressed by the Prince's realistic and informed approach to affairs generally, including public affairs in this country. Squadron Leader Checketts was also most interesting in his private conversations with me.

The most significant matter for me to touch upon is, I think, the development which took place about the property. I did not receive your letter of 9 October, giving me the up-to-date position, until after a number of things had taken place here, the details of which you will now know.

The Prince informed me of the attitude in the Palace to his plan to acquire a property here and seemed reconciled to this until he actually visited the property. When he returned to Government House on that day, he was very anxious to try to explore alternative possibilities to enable something to be done before Christmas.

He asked me if there would be any possibility of a conversation with the Prime Minister. The Prime Minister was in fact coming to dinner on that evening and I got him to come over three-quarters of an hour early so that the Prince could have a conversation with him. I was invited by the Prince to be present and the Prime Minister also expressed the same wish so I was present during the conversation.

The Prime Minister, of course, indicated that the Government would not be in a position to do anything financially but said that were it possible to work out an arrangement the scheme would have the approval of the Government and he would be happy to make a public statement welcoming it. Although I was not aware of all of the reasons which operated to produce the decision at home it seemed to me that the only way to produce a possible new situation might be if the whole scheme could be financed by loans negotiated in Australia.

The Prince asked me to explore the possibility of this and I began with a conversation with Mr Vines. He brought the head of the English Dalgety's organisation with him to see me. They were both of the view that the property would not be a viable proposition if financed fully in Australia, having regard to high interest rates and other considerations. Even if such an arrangement had been possible and the property viable the question would still have remained whether there was much difference in political and economic terms between incurring a large debt here and sending money here.

They suggested the alternative scheme which you know about and I passed on to the Prince and to Squadron Leader Checketts the proposal which they had in mind and they made contact with London and in due course told me the result. The Prince was anxious to say publicly in Australia that he was interested in acquiring a property here and for the Prime Minister publicly to support the idea. In the outcome he did make a reference to his hopes in this respect but said that because of economic reasons it was not possible for the time being. There was, so far as I know, no adverse publicity here.

I hope that my involvement in this matter did not create any difficulties in London but it seemed impossible for me and for the Prime Minister, having regard to the Prince's eagerness, not to open up at least for consideration whatever possibilities there were. He himself realised that the decision would have to be made in London and told me that this was the position. Under those circumstances I thought that there could be little harm in the alternatives being put to the Prince so that they could be discussed between him and his family or other advisers in London.

In acting in this way I did so with the knowledge of Squadron Leader Checketts and he felt that it would be worthwhile to do so whilst confirming that the decision would have to be reached at home.

The Shah and The Shahbanou had what I think was a very successful visit to Australia. The Shah spoke a number of times about his plans and aspirations for his country which are based upon the realisation that he has to get it converted to a self-sustaining industrial country during the next thirty years whilst the oil lasts.

He is anxious to shift as much of his oil activity to the petro-chemical area and sell as little of it for fuel as possible. With the enormous supplies of money which he has he can buy, and does buy, a great deal of military and industrial equipment but appears to realise that he lacks the range of tradesmen, technicians and lower level technologists to operate the equipment now and in the near future to the best advantage. The educational problem thus arising is one he has to tackle. It has obvious long term political implications.

He showed a great interest in the Indian Ocean and in using whatever influence he can, based on his ability to use his money effectively, to mitigate Russian influence in Afghanistan and India.

He is obviously worried about being surrounded by countries depending on, or oriented in some respects, to Russia. For this reason he wishes to develop his relations particularly with India but also with other countries in the area, including the "littoral" States of the Indian Ocean.

You will be well aware of his growing interest in the politics of the Indian Ocean. He would prefer the "littoral" States to police the Indian Ocean and to ensure its neutrality but until this can be achieved he believes that because of the presence of the Russians, it is wise and prudent for the Americans to counter-balance the Russians in the Indian Ocean.

There appear to be some possibilities of useful trade between Iran and Australia but although a cultural agreement was signed no detailed arrangements were made here. Doubtless further talks will take place in the coming months. Investment from Iran would I think be available for Australia on the basis that Australian money participated in any joint venture and the Shah has no objection to the joint venture being with a Governmental authority as opposed to private industry. But all of this is for the time being very vague. There were a few small demonstrations against the Shah mainly, I believe, by students objecting to alleged political imprisonments.

The Prime Minister of Japan also had a successful visit. He is of course pressed with troubles at home but our own resources policy appears to have taken a considerable step forward in preparation for his visit and a future combination of Australian mineral assets and Japanese capital, presumably with technological help from some third quarter, could produce developments in the field of uranium enrichment and perhaps the production of fuel from coal.

We did not have any success at this stage with the Prime Minister on wool or meat.

There were no demonstrations here against the Prime Minister.

This is a very short summary of what happened. I have no doubt that your authorities will be receiving full reports from your diplomatic representatives here.

The three visits mentioned above have kept me and my family quite busy. My two daughters are helping out with the hospitality. Both of them had the privilege and pleasure of being presented to the Prince during his stay in the house and were present at the functions here.

I have been invited to the Coronation of the King of Nepal and have thought it would be a pleasant exercise to be in attendance. I understand that if this takes place, and the authorities here seem to be sympathetic, and if The Queen has no objection I shall probably visit, in a goodwill fashion, a few other countries in the immediate vicinity before returning home.

Our economy still suffers from the serious problems of growing unemployment and increased inflation. The Government is taking various steps but there appears to be little prospect of any upward movement during the next two quarters.

This will inevitably raise the question, around the middle of next year, of another precipitated election which would have to be based on denial of supply by the Senate. If this were to happen the Prime Minister would have to consider again whether he wished to convert any such election, by laying the ground for a double dissolution, into an election for both Houses.

The question will be whether the Leader of the Opposition feels ready to force another election somewhere about August by denying supply in late June. This will depend on many factors which cannot be foreseen at the moment, including of course the extent to which the Government is able to ensure some prospect of improvement in the economic position by then.

If no election is forced before August the Government will have the opportunity of another Budget at that time and it is too difficult to predict what might happen economically if the Government has sufficient freedom of action to deal with economic matters during the second half of the year rather than face an election.

Because of the difficult economic situation there has been serious speculation in the press about the displacement of the Treasurer, Mr Crean, by his appointment to be the Chairman of the Commonwealth Trading Bank. There appears to be no doubt that some moves of this kind have been under consideration but there has also been a backlash within the Labor Party and amongst significant Trade Union leaders who feel that it would be unfair to make the Treasurer a scapegoat, especially as economic policy has been settled rather on the advice of economic teams around the Prime Minister and Dr Cairns than on Treasury advice.

I think this matter of Mr Crean's future is in the melting pot at the present time. The Prime Minister would undoubtedly have intended to make Dr Cairns the Treasurer, and another Cabinet member would have had to be elected to fill the vacancy. Dr Cairns has publicly said he does not want to be Treasurer but he would, in any event, be expected to say this.

One problem which is being argued out in Labor Party circles is that the resulting by-election which would have to be held for the Melbourne Ports seat, if Mr Crean resigned from politics, could cause the Government serious difficulties. It is generally regarded as a safe Labor seat but having regard to the unpopularity of the Government at the present time a by-election would probably register a serious protest in the electorate against the Government, and possibly even the defeat of the Labor candidate.

I have no knowledge and have not sought to find out what kind of reshuffle of Cabinet might take place if Dr Cairns were to go to the Treasury. It may be that there would be a re-arrangement of departmental responsibility, if such a move were to take place, so as to leave Dr Cairns with the whole economic policy area and someone else with that side of the Treasurer's duties that is connected with supervision of the financial activities of the Departments and so on.

I have so far made official visits to Sydney, Melbourne, Perth and Adelaide. There is to be a visit in a couple of weeks time to Hobart, but I cannot visit Brisbane officially until early next year because of the recently announced intention to hold an election there early in December. Everyone will be campaigning until then and

thereafter the formation of a Government with all its attendant problems, together with the approach of Christmas will make it awkward to visit Brisbane before the holiday season begins.

As I now have a lot of time on my hands because the domestic side of my life has changed so much I propose to travel widely in Australia, especially in country and mining areas. I shall also go to the Northern Territory and other places where I can see what is happening in the cattle and wool industry.

It will be a useful exercise for me to become known to as many Australians in the various parts of the country as possible during the next twelve months.

One possibility is a pre-independence trip to New Guinea - a vice-regal final tour. It is possible that, although New Guinea will probably wish to be a republic in the Commonwealth, under The Queen as Head of the Commonwealth, the Papua New Guinea Government may seek to have a member of the Royal Family at the independence celebrations. The target date for independence is in March-April next year but it is more likely to be in June.

At the present time we are likely to have a review of the Order of Precedence here. When proposals come to me officially I shall of course submit them to the Palace. There may be one or two features in the proposals about which I may feel the need to make some suggestions.

The exploratory talks which have taken place indicate a possibility of somewhat awkward changes being made. I have expressed some views on these matters and they are being taken back to the Prime Minister in a revised submission which is being made to him.

I received your letter about the developments in Queensland when you acknowledged the letter which I sent forwarding the Australian Government's advice about the petition to the Privy Council which has doubtless been sent forward by the Queensland Government. The position seems to be somewhat analgous to that which arose in Tasmania.

As to the last matter, the Governor of Tasmania had told me by letter that his Government completely rejected the suggestion that in the constitutional sense Her Majesty was entitled to act on the "advice" of her Australian Ministers in relation to the petition on rights to the seabed. On the advice of the Australian Government I replied saying that it was in its view entirely

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appropriate that in the matter referred to advice should have been furnished to Her Majesty by her Australian Ministers and that Sir Paul Hasluck had been informed by Her Majesty by message that she had accepted the advice of her Australian Ministers. Sir Stanley replied saying that his Ministers had asked him to say that they noted the advice given to me but that they did not accept its validity and regretted that it had not been possible to resolve what, in their opinion, remains a clear inconsistency between the respective despatches to him from Sir Alec and to my predecessor. There the matter rests.

Would you please, if an opportunity presents itself, assure Her Majesty of my continued humble duty.

Yours sincerely,

JOHN R. KERR

P.S. You may already have a copy of the attached transcript of the television interview with the Prince of Wales but in case not I send it.

J.R.K.

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.

LAUGHTER:

RICHARD CARLETON: Your Royal Highness allow me to begin by asking the first question. And the simplest of questions. What brought you to Australia this time, I mean, ostensibly you came here to open the telescope at Sigings Springs but 12,000 is a long way to come just to unveil a plaque.

H.R.H.: Yes, I mean, the real reason as you say was to come and open this Anglo-Australian telescope which I was asked to do and as far as I was concerned it was a marvellous excuse to come to Australia. Um... I, as you know ... I enjoyed being here enormously eight years ago at school and came four years ago ... my parents for the Cook Centenary celebrations and haven't been here for four years and so I was delighted to have an excuse to actually come and so although it was the only thing I came for obviously I was delighted to come at any time.

RICHARD CARLETON: So obviously you enjoy travelling.

H.R.H.: Yes, I do and I'm trying to work it out but I think I've already this year I've done something like 75,000 miles I think.

GRAHAM CODDINGTON: Sir, on the subject of Australia. You once said that you lost your shyness in Australia. I wonder what it was that happened here to bring that about?

H.R.H.: Well I ... the problem was that I was I suppose fairly shy but like all these things the moment you start doing things ... the moment you start going out and meeting people and the moment you have to think of something to say to people the easier it becomes but when I came here I was still ... I mean literally a schoolboy and so appearing in public was more awkward and more shymaking than it is now. But I think the thing about Australia is the people are very forthright in their remarks, they're genuine and friendly, on the whole, and this is enormously helpful. If you are at all shy or if one is beginning to make a sort of public appearance. And the first time I think I got over it was up on the Gold Coast ... in Queensland ... when I appeared at the airport a lot of people were behind the barrier and I went up and talked to them. It took quite a lot to do it but the moment I did it ever since then I've never looked back and they are all friendly.

DAVID JOHNSTON: Sir, there's been persistent speculation that you may be offered the post as the next Governor-General of Australia. I wonder if this has been discussed with you ... has it in fact been offered to you.

H.R.H.: No, but I know there is a lot of speculation and I keep reading it in the papers ...

DAVID JOHNSTON: Um.....

H.R.H.: I mean I've seen in the papers that people say that the reason for me being here this time is (a) to look for a property and (b) to discuss becoming Governor-General. But it is not the kind of thing that I can discuss becoming Governor-General its a matter for the Prime Minister to recommend to the Queen.

DAVID JOHNSTON: Would you look favourably upon such a suggestion.

H.R.H.: Ah... I don't know ... I mean ... difficult question ... its obviously too soon to you know to consider it really. I mean I'm still in the Navy and everything else but I dare say if there was a you know a particular desire for it I'd be only too delighted to consider it certainly.



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MICHAEL WILLESEE: Sir, trying to understand a little more about you, I just wondered what your attitude was to responsibility and discipline.

H.R.H.: In the general sense ...

MICHAEL WILLESEE: Yes, quite general.

H.R.H.: Well, the sheer fact of my position I suppose makes one appreciate ...

MICHAEL WILLESEE: It was imposed at a very early age wasn't it?

H.R.H.: Yes, it was. I mean I think that one suddenly becomes aware of the fact that one has a fair degree of responsibility to say the least. In order to have that responsibility I find discipline particularly self discipline is a most important thing to cultivate. You know what I mean. And you can only get discipline or pride for having been disciplined I think originally.

MICHAEL WILLESEE: You say one becomes aware; you know in your very special position are you aware when you knew that you had such a special responsibility.

H.R.H.: I've been asked that question before.

MICHAEL WILLESEE: What did you say.

H.R.H.: Well, I said that I didn't suddenly sit up in my pram and say Yippee I've suddenly discovered all about it. No it is funny enough something which dawns on you I think, slowly, it isn't a sudden thing but I mean the problem with any system of primogeniture, in other words a hereditary system is that you can't always be sure that the result is going to be necessarily the most responsible of all.

MICHAEL WILLESEE: It seems a simple thought but I wonder just how different it must make somebody who doesn't have that responsibility and discipline imposed upon them ... at such an early age. And so constantly.

H.R.H.: Yes, but it depends on the sort of type of character you are I suppose. I mean, I fortunately or unfortunately have managed to accept a certain amount of discipline and I don't find it difficult to accept responsibility. I tried to analyse the problem in my own mind. Perhaps earlier than some people would but I think that you know I was the sort of person that could accept it more readily than other people might.

MICHAEL WILLESEE: Is it an even acceptance or are there times that you wish that burden wasn't on you.

H.R.H.: Well the, one funny enough I have come to accept it ... I do I've .. Have I suppose what you would call a strong sense of duty I feel that there are a lot of things that need to be done and I feel that you know I must do them.

MICHAEL WILLESEE: But is that an even feeling or are there bad moments.

H.R.H.: Well occasionally, yes, when one gets tired or something, irritable occasionally but on the whole I have no difficulty at all in doing these things ... I actually enjoy meeting people, finding out about things and a great advantage of the position is that you meet all the most fascinating people in the world. And one would be absolutely you know crackers not to make the most of it.

RICHARD CARLETON: Sir, do you really enjoy walking along the row of the crowd and shaking hands? It doesn't seem possible that anyone could enjoy that.

H.R.H: Oh, why not, when you get used to it you meet some frightfully amusing people ....

RICHARD CARLETON: How long did it take to get used to it?

H.R.H: Well, I said that you know that I really got used to it that first time here. When I was left on my own. Up till then I had followed my parents around to one or two occasions and you know been frightened of saying anything. But the moment you're left on your own its amazing what happens.

RICHARD CARLETON: Sir, changing the subject now do you despair about the future of the world when you look around the world and see the gloom in your own country at home ... the problems in the Middle East the international inflation and even here in Australia everything is not milk and honey. Do you sometimes get less than optimistic about the future of the world.

H.R.H: Well I think its very easy to become pessimistic but I think what you've got to do is ... is look at it in relation to modern events in the sense that nowadays that we have a situation where communications are much more advanced than they ever were before and the very fact that one is on television now you can...I can be seen in England simultaneously therefore events which take place in different parts of the world can be seen all over the world therefore we may get exaggeratedly gloomy about things which probably went on before communications were as advanced as they are now and people before didn't know that there was a flood in India or a famine somewhere else or war or pestilence or disease all these sort of things that do make one gloomy but now that we can see them everyday in our home it is much easier to become gloomy.

DAVID JOHNSTON: So the media's to blame is that what you're saying ....

LAUGHTER

H.R.H. No, no. I don't think it is but I do think that it has a definite responsibility in the way that it reports things. The way it puts things across. You know because after all its the only way people have of gaining information about what's going on.

DAVID JOHNSTON: On the search for an Australian property you have said that you are looking for a property I understand, have you found one yet.

H.R.H: Did I say I was looking for a property.

DAVID JOHNSTON: It was reported in the press yesterday that you were looking for a property.

H.R.H: Well, its been something that's certainly been on my mind for you know ever since I was out here in 1966 but it is unfortunately at the moment a difficulty with all sorts of reasons but economically speaking amongst others ... but one day I hope that there may be an opportunity - you never know.

GRAHAM CODDINGTON: Sir, could I go back to the question of a moment ago we were talking about the media ... there's obviously a lot of interest in the young ladies you escort. Does it become a question of balance with you about the interest that the media takes and what is genuine interest for the public.

H.R.H: Yes it does inevitably I think ... because something like that is a fairly private thing on the whole. The only problem, of course, is that it is not so bad for me its much worse for the girl concerned because she's not used to dealing with the press at all.

MICHAEL WILLESEE: She suffers invasion of privacy by association.

H.R.H: Absolutely because I have layers of things to protect me.

GRAHAM CODDINGTON: Do you find yourself in a position where you need to warn the girl about this before going out.

H.R.H.: Yes.

DAVID JOHNSTON: How does it effect the relationship then.

H.R.H.: Well, well, ... they get used to it ... it ... everybody does get used to things if they are exposed to it enough and once they've got over that stage its alright. It may encourage of course the wrong type of girl to rush forward ... do you know what I mean... one has to go and find the right type.

DAVID JOHNSTON: Are there many contenders at the moment or is there any one special girl ... and do you have any marriage ...

H.R.H.: Contenders for what .....

DAVID JOHNSTON: For your hand in marriage.

OVERTALKS SECONDS ... LAUGHTER

H.R.H.: No, no because I mean I find being in the Navy one is always away at sea and therefore one tends to you know lose the contacts that one had before but there's no special one at the moment, no. Contrary to what the press in England thinks.

RICHARD CARLETON: Are you having pressure from your family to get married, that you should be married soon sort of thing.

H.R.H.: No, not at all, no. They never put pressure on me for anything.

MICHAEL WILLESEE: Sir, I hope I'm not being unfair in asking this but particularly in your answer to Richard on the state of the world and David on the role of the press you were almost appealing for understanding. Are you inhibited in giving answers to those sort of questions? I mean do you really think that you can be critical.

H.R.H.: No, I can't you see. There are obviously some things that one would like to discuss but it is very difficult because one operates under a system where one tries very hard to avoid controversy which is important not to become involved in controversy and therefore I have to be careful of what I say. I have to think carefully before I say something because as you know if I say something about a particular subject it could possibly be headlines the next day that I think such and such about something and lots of people get up in arms and I get angry letters from people ...

DAVID JOHNSON: Is that frustrating?

H.R.H.: No, again because one learns to live with it but I think that there's a subtle balance there's a subtle compromise which one can achieve I find in saying something which isn't totally meaningless and isn't complacent sort of bilge.

DAVID JOHNSON: Apart from avoiding controversy is your privacy also very important to you.

H.R.H.: Yes, it is when it comes, yes, one has a certain amount. But it is important .....

GRAHAM CODDINGTON: How do you decide which are the private areas beyond which you won't go.

H.R.H. Well I don't divide myself into any compartments. I don't feel that now I'm this one minute and I'm private the next and I like to think of myself as one person all the time but I appreciate that there is interest and because of that interest I ... I see that I can't be as private as the next man can be.

MICHAEL WILLESEE: When you talk about the need to be or the responsibility to be non-controversial and to find that balance do you think there's a stage you might reach that you may actually take a stand. I mean in a fairly mild sense as far as controversy goes your father supports conservation, could you see yourself supporting a cause particularly a controversial cause.

H.R.H.: Well, first of all my father started conservation but he, he's ... he began the sort of movement for it. He was talking about it for a long time before anything actually happened and now the sort of revolution has almost overtaken everything but conservation is I think something in which one can get involved without becoming too controversial and I think it's a useful ... something ... it wasn't political at the time or anything like that. Certainly not party political which is the thing that you've got to be very careful about. I can't see myself in any way taking a stand on something which is at the moment particularly controversial but you never know... I mean ... what the future may hold.

MICHAEL WILLESEE: Do you think you could take that stand if you, after reading the situation, you thought I just should take such a stand.

H.R.H.: No one has to be very very careful because I do belong to a system of a constitutional monarchy which does not take stands on controversial or political issues.

MICHAEL WILLESEE: The system would override the conscience.

H.R.H.: I don't know that's a very difficult question. I ... you ... I haven't come up against a situation yet and I mean in a way it's a hyperthetical question.

MICHAEL WILLESEE: Yes, I agree ... it's unfair.

DAVID JOHNSTON: Sir, you had something in mind obviously in your maiden address to the house of Lords when you said what we should be concerned with was lifting, if I can quote you correctly, "the dead hand of frustration and boredom off mankind". What specifically were you referring to there and is that another way of rephrasing your father's famous words that the nation should pull its finger out.

H.R.H.: No, no, no. That was the art of ... it was donterpergology (phonetic) or something like that. No, I'm afraid that it was rather a vague generalisation, it's very difficult, of course, if you're confined to a 15 minute maiden speech to qualify what I meant. But I do sometimes think particularly urban life nowadays, is an increase in that element of boredom and frustration amongst people who don't seem to have things to do.

DAVID JOHNSTON: What are its causes I wonder.

H.R.H.: I hardly dare say television. But I think ...

DAVID JOHNSTON: But you mean television.

H.R.H.: No I don't. The problem is that so much entertainment now is made for people therefore whereas say a hundred years ago, fifty years ago, people used to make their entertainment on the whole. They don't now, therefore people want to be entertained, and amused all the time but unfortunately this costs money and if you haven't got a large amount of money or substantial amount of money it's more

H.R.H. (Cont.) difficult to find entertainment. Therefore I think there is a certain element of boredom particularly in smaller urban areas.

DAVID JOHNSTON: Do you find that in Australia?

H.R.H.: I don't think so, so much ... no there's a great advantage in Australia perhaps not in Melbourne so much, but the rest of Australia ... is the weather ... the fact that you can go out all the year around in the sun, makes a hell of a difference, and you can go surfing and this type of thing, it removes a certain amount of frustration so ...

GRAHAM CODDINGTON: Sir, if I could just vary the subject a bit. Your father seemed to be interested in things like industry and management and achievement, and that sort of thing. Reading the sort of things you've been talking about you seem perhaps more interested in human values ... industrial relations is one area you talked about once. Is that the difference between you and your father.

H.R.H.: Yes, I think my father to a certain extent is more scientifically minded than I am. I am not scientifically or mechanically minded. And, yes, I do, I'm very interested in human values, relationships, ideals.

GRAHAM CODDINGTON: Is this perhaps the area where you can see yourself developing in the future.

H.R.H.: Yes.

GRAHAM CODDINGTON: An interest in that type of area rather than promoting exports or that sort of thing.

H.R.H.: Promoting exports is you know ... is a difficult thing and you leave it up to the experts, but I'm not averse abroad to ... suggesting that people ought to buy British.

LAUGHTER.

H.R.H. Or sell them.

DAVID JOHNSTON: Since the kidnap attempt on Princess Anne and her husband last April are you more apprehensive now about appearing in public in these days of quite violent protest. Have you ever in fact feared for your life during your duties.

H.R.H.: No, no, no once you start worrying about that sort of thing its time to give up, see what I mean, because one has to ... one goes out in public and always I suppose there is an element of risk but I think there is less risk as far as I'm concerned as far as my family are concerned because of the fact that one doesn't become involved in controversy to a great extent. I think the great thing is not ... is to avoid an excessive degree of security, excessive number of police, and so on because in a way it can encourage a chap to come along and try and get through.

DAVID JOHNSTON: Well, obviously you have a say then about the sort of security that surrounds you.

H.R.H.: To a certain extent, of course, except that there are people who are responsible on security and to a certain extent you have to leave it up to them how much they supply but if its too much I say its too much.

DAVID JOHNSTON: Has that ever happened?

H.R.H.: Yes.

DAVID JOHNSTON: Can you mention any occasions when you ...

H.R.H: No, I can't mention any occasions because that would be unfair but I mean I think that its again a subtle balance you've got to achieve.

DAVID JOHNSTON: And there has never been a time when you have worried for your own safety in public.

H.R.H: No, because in Wales for instance, there were lots of bomb threats and things, and plenty of scares, and usually when I go to Wales somebody rings up and says the bomb is somewhere. In fact, when I was here in 1966 the same thing happened I had to get off an aeroplane because there was a bomb scare but people don't usually tell me that until after the event so I don't worry about it.

RICHARD CARLETON: Sir, could I bring you back to the International level and ask you to reflect back on the break up of the British Empire on reflecting do you think that Britain gave more to the Empire than it took from the Empire.

H.R.H: Possibly in some respects it did take more, yes, but on the whole you ... when you think that there is still a Commonwealth it is a pretty extraordinary thing. Pretty unique state of affairs when you think about it. I mean there's no Spanish commonwealth there's no Roman commonwealth ... I think its an encouraging factor and an encouraging leaf out of the book of the Empire in that we did try to, I think, allow people to become independent, allow people to develop on their own as it were and it wasn't always wrested.

RICHARD CARLETON: What I was really getting at, Sir, when you look back on the break up of the Empire do you think Britain has done something that it should be ashamed of.

H.R.H: There are always skeletons in anybody's cupboard and of course there are certain things that one can be ashamed of, yes. Um... and they're not always to do with the Empire but I think on the whole although, of course, you've got to remember that I mean in Africa basically what happened at the end of the nineteenth century and the beginning of this century was a great struggle for the balance of power in Europe which led to the colonisation of Africa, and on the whole it was not colonised for financial gain. Therefore I think it was easier in a way to give to the African colonies independence quicker than in some other cases.

MICHAEL WILLESEE: What does being British mean as an extension of that.

H.R.H: Do you mean as far as I'm concerned.

MICHAEL WILLESEE: Um ... there was a legacy there ... you made a comparison with the Spanish and you indicated some pride in British achievement. The very essence of being British what does that mean.

H.R.H: Being able to laugh at yourself. I think, this is what in a funny way British people have done over the centuries. They've been able to see the funny side of things to a certain extent and have been able to analyse themselves and they've been able to see that ... to anticipate events instead of having it taken from you ... you know ... they ... you know on the whole the British I think have accepted the inevitable and tried to adapt to those inevitable circumstances. Earlier than other people have done.

GRAHAM CODDINGTON: Another extension to this do you feel more comfortable in the older Commonwealth countries like Australia and Canada than perhaps in some of the newer Asian and African Commonwealth countries.

H.R.H: What do you mean by more comfortable.

GRAHAM CODDINGTON: Well, do you feel more accepted perhaps would be the word.

H.R.H.: No, that's not true actually. I think that people are incredibly friendly you know wherever you go throughout the Commonwealth. Inevitably when you come to somewhere like Australia or Canada, or New Zealand because there are many more people from Britain who come out to settle and colonise you know in a way its a home from home. Much more so than somewhere like Africa or India or somewhere like that. But I still think that I enjoy, as I say, meeting people of all kinds. I think its fascinating and you get such pleasure and amusement and interest out of so many different types of people.

DAVID JOHNSTON: Sir, during your visit to Fiji, your last visit, you were caught by a photographer apparently napping. I wonder if you often get bored at official functions.

H.R.H.: I never saw this photograph and people keep telling me about it and it was one of those cases of being caught by the camera at a moment when I was actually stretching my legs ... I think.

DAVID JOHNSTON: You weren't in fact ....

H.R.H.: I wasn't asleep I couldn't possibly have gone to sleep. (LAUGHTER) I do find it sometimes difficult to remain awake when I sit down because I stop doing things and the moment I stop walking about and being energetic I fall asleep very quickly. I can relax very quickly.

DAVID JOHNSTON: Have you fallen asleep at official functions before.

H.R.H.: No, I have a great struggle to stay awake sometimes but thats at certain times of the day. But I, no ... obviously there are some occasions when things are a bit boring but I have never fallen asleep completely, or had to be woken up.

GRAHAM CODDINGTON: But you do get bored.

H.R.H.: Very rarely, very rarely.

MICHAEL WILLESEE: Never in television interviews.

H.R.H.: No. (LAUGHTER)

DAVID JOHNSTON: Today is a great day of images. I wonder what you think your image is.

H.R.H.: I've absolutely no idea. I just hope its a reasonable one thats all.

MICHAEL WILLESEE: Do you work at it.

H.R.H.: No, I see absolutely no reason to work at an image.

MICHAEL WILLESEE: You must get a lot of advice.

H.R.H.: A certain amount but ... what about my image ...

MICHAEL WILLESEE: Yes, the sort of thing that people are fairly free with their advice about.

H.R.H.: Like I should drive fast cars and be seen in the Playboy Club more often.

MICHAEL WILLESEE: Whatever ...

H.R.H.: No, I don't, I mean as far as I'm concerned I am me and I intend to go on being me.

GRAHAM CODDINGTON: Your image perhaps to a lot of people would be of a very disciplined person, of polo, of adventure, and the Royal Navy, and this sort of thing, but I also read somewhere where you once said a piece of music reduced you to tears and I wondered if somewhere behind there is a very emotional you as well.

H.R.H.: Oh yes, I feel very strongly about things, I find that music moves me very deeply and all sorts of things do like that. Certainly.

GRAHAM CODDINGTON: Sir, I wonder what other things would reduce you to tears.

H.R.H. Um ... a beautiful picture or um ... being out on a mountain when the wind is in the tress and everything. I feel very deeply about that sort of thing. I feel very deeply about nature I do feel very strongly about that type of thing.

DAVID JOHNSTON: You're a great fan of the Goons I wonder if you've been reduced to tears by them. You probably have .....

H.R.H.: Oh yes, yes.

DAVID JOHNSTON: I wonder also there's another British entertainer we see a lot of in Australia, who also has a lot to say about the Royal family and the monarchy and that's Alf Garnett. Do you have any views on Mr. Garnett, he seems to have quite a few on the monarchy.

H.R.H.: Yes, I don't often. I haven't often watched him but he is very ... very amusing I must say. But no, you say the Goons. They've certainly reduced me to tears continually. I mean its like you can laugh yourself into a state of crying, which I do often.

MICHAEL WILLESEE: Sir, can I just chip in with a rather silly question I think but we're running out of time. It's always fascinated me you're in the Navy. How does the senior officer discipline you if he so desires?

H.R.H.: By having me into his cabin and ... sometimes and saying that I think it would be better if you didn't do that ... its all very civilised and they don't sort of yell at me.

MICHAEL WILLESEE: Civilised and mild.

H.R.H. Yes, but well it depends on the officer but there is a problem as you can imagine ... the older I get and the more I end up going round about that there are no INAUDIBLE I try to keep out of those things which would lead him to shout at me.

GRAHAM CODDINGTON: Your Royal Highness on behalf of the four of us thank you for talking to us.

H.R.H.: Thank you very much indeed.

\* \* \* \* \*



17 OCT 1974



TO GOVERNOR-GENERAL

BUCKINGHAM PALACE

CONFIDENTIAL

9th October, 1974.

*Dear Governor General*

In your letter to me of 15th August you mentioned the question of the possibility of The Prince of Wales purchasing a property in New South Wales, and in my reply I promised to let you know more about this matter.

I am sorry to have taken so long to do so but there were some consultations about this just before The Prince of Wales left for Fiji and I thought it better to wait until these had taken place before writing.

The position is that the purchase of a property in Australia by The Prince of Wales presents no political or legal difficulties in the United Kingdom. My understanding is that the same applies in Australia. It is a project close to The Prince of Wales' heart, and one which would, I am sure, be valuable in the context of the Monarchy in Australia.

It is felt, however, that the public in this country would misunderstand a decision by The Prince of Wales to buy a property at a time of great economic difficulty for the United Kingdom and when housing is one of the worst problems which faces ordinary people. In modern times it is never "a good moment" for The Royal Family to spend money, but I think it fair to say that the present could hardly be a worse moment.

I think, therefore, that The Prince of Wales will decide not to do anything at the present time about a property, but to keep his options as open as possible for the future.

It will be interesting to see if His Royal Highness's visit to the property in question gives rise to speculation and what reactions there are if such speculation is made.

*Yours sincerely*

*Marlin Charters*

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His Excellency the Governor-General  
of Australia.



BALMORAL CASTLE

CONFIDENTIAL

14th September, 1974.

*Dear Governor General*

Thank you very much for your letter of 9th September.

It was most unfortunate that the illness of Mr. Jules Leger prevented you from visiting Ottawa on your way back to Australia as I know you would have found it interesting to do so.

I spent two days, myself, at Government House at the end of August and found Mr. Leger considerably improved in health, but not yet able to perform the functions of Governor-General, which are still being undertaken by the Chief Justice. It remains to be seen whether Mr. Leger will be able to resume these functions. I hope very much that he will as both he and his wife are delightful people who would add distinction to the office of Governor-General.

The Micheners, although they may have discontinued the curtsey were, in other respects, conservative, conducting affairs in Government House, I should judge, at about the same level of ceremonial as that observed at Yarralumba under the regime of your predecessor.

The Legers have initiated, and will continue, if he recovers, a much more relaxed way of life. This has pleased some but it has also offended others. I suspect the way they do things will ultimately gain general acceptance by those who come to Government House if for no other reason because I think they will make their entertainments genuinely enjoyable.

It is, of course, a question of getting the balance right and adapting it to the mood of the country, and I have no doubt you were wise in discontinuing the curtsey whilst reserving the position of The Queen, the members of her family, and visiting Heads of State. I am also sure, if I may say so with respect, that you were right to wear morning dress for your swearing-in ceremony.

In so far as the Royal Salute to the Governor-General is concerned, my reaction is that your proper course would be to adopt the Canadian formula: six bars of "God Save The Queen" and eight bars of "Advance Australia Fair." I put forward this view with diffidence because it is always difficult to make a judgement when one is not in close touch with feeling and a long way away! I do so, however, for the following reasons:

(a) The Australian Government has adopted "Advance Australia Fair" as the National Anthem and it seems to me, therefore, that The Queen's Representative should lend support to this decision. My own view is that Mr. Whitlam was unwise in not

getting The Queen's support from the beginning: Her Majesty would certainly give this had she been so advised. None-the less, I feel it would be right for this support to be given now through you.

(b) I should have thought that a failure on your part to use the new National Anthem might be taken amiss by the Prime Minister.

I would obviously liked to have discussed this with Jack, but as I shall not see him for some time I thought I had better let you know my immediate reaction without delay.

*Yours sincerely*

*Martin Zentem*

His Excellency the Governor-General  
of Australia.

Government House,  
Canberra. 2600.

9 September 1974.

*Dear Sir Martin,*

In my earlier letters, I said that I would write separately to mention some procedural matters.

After my return from London, I gave some careful thought to what should be done about some ceremonial questions. I have felt that there are some practices in relation to the Governor-General that do not fit comfortably into the Australian scene and are, in a sense, artificial.

I made arrangements to be informed about the position in Canada. You will remember that it had been my intention to call upon His Excellency the Governor-General of Canada on my way home from London but his illness prevented this plan from being followed.

My reason for making the original arrangement to go to Canada was because the Prime Minister was anxious for me to be fully informed about the Canadian position on a number of matters. He did not himself appear to know in detail what had been happening in Canada but had a general impression that there was less formality there than has been the practise in Australia.

Inquiries produced the information that the previous Governor-General in Canada had indicated that he wished the curtsey by the ladies to be discontinued so far as the Governor-General and his wife were concerned. This was replaced by a handshake as a more reciprocal gesture but it was decided that what has been called a slight bow would not be inappropriate. I have concluded that in Australian conditions the Canadian precedent would be an appropriate one to follow so far as the curtsey for the Governor-General and his wife are concerned.

I have, of course, reserved the position of The Queen, members of the Royal Family and other Heads of State who may be accustomed to the curtsey. It is solely the daily practise in relation to the Governor-General with which I have dealt. The Official Secretary issued a press notice, a copy of which I attach for your information.

.../2

It was not possible for me to inform the State Governors in advance of my intentions about the curtsey but I did write a letter to each of them as soon as I had been sworn in. There has been no change in the other Government Houses and I accept a curtsey when a guest in those Houses.

A second matter with which I had to deal was the dress to be worn by me at the swearing-in ceremony. The Prime Minister would, I believe, have liked me to wear a lounge suit. However, I decided to follow previous practice here and wear full morning dress and decorations. In Canada this is the practice still with regard to opening of Parliament and the receiving of credentials.

With regard to the formalities associated with my arrival in Canberra and my later swearing-in I made things more simple. There has been a rather elaborate ceremony for the arrival, including the presence of a guard of honour and band, the playing of a general salute and so on. I made my arrival very informal, coming in lounge suit, dispensing with the guard and band and general salute. The only formality retained in fact was the customary welcoming group - including the Prime Minister and the Presiding Officers of the Parliament. This was done partly because of my wife's ill health and partly by way of compromise with the Prime Minister, but also because I felt that less formality is nowadays desirable.

For the swearing-in ceremony I followed the Australian precedents except that I did not have all of the diplomats and their wives and all of the Members of Parliament and other guests at the reception formally presented to my wife and to me. I thought this would be too burdensome for my wife but apart from this it seemed more sensible to use the short available time to mingle. I later arranged a reception for the Diplomatic Corps in my first week of office by way of substitution for the presentation which did not take place on the occasion of the swearing-in.

There is one remaining matter which still requires some thought and on which, perhaps, you may have some comment to offer. This has to do with the Royal Salute to the Governor-General. I understand that in Canada the vice-regal salute consists of six bars of "God Save The Queen" and eight bars of "Oh Canada"; and it is the Prime Minister's view that if I should similarly adopt a vice-regal salute consisting of six bars of "God Save The Queen" and eight bars of "Advance Australia Fair" he would regard this as a satisfactory solution.

Although the Australian Government has adopted "Advance Australia Fair" as the National Anthem the State Governments and some organisations continue to play "God Save The Queen". We thus have a situation where the choice of National Anthem to be played at a function will

depend on who is organising that function. In addition, I am informed that the State Governors have declined to permit the addition of eight bars of "Advance Australia Fair" whenever a Royal Salute is played in their honour. Some State Governments have refused to recognise "Advance Australia Fair".

It could be argued that the addition of the eight bars to the Governor-General's Royal Salute would encourage widespread acceptance of the new National Anthem: on the other hand, my predecessor was of the view that the Governor-General should not allow the vice-regal salute to become a matter of public controversy and therefore chose to preserve the status quo doubtless until such time as there was widespread general acceptance of "Advance Australia Fair".

I know the Prime Minister is anxious for me to move in this matter. In the light of the other changes to which I have referred in this letter, it may be better for me to leave the Vice-Regal Salute untouched for the time being. It would assist me to know whether you have any thoughts on this question. You may find it helpful to have the views of Sir John Bunting after he arrives as he will undoubtedly be able to give you the detailed political background.

*yours sincerely,*

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.



BALMORAL CASTLE

Personal and  
Confidential

14th September, 1974.

*Dear Governor General.*

I must begin this letter, which is in answer to yours of 6th September, by saying how deeply I feel for you in the loss you have suffered by the death of Lady Kerr. I send you my sincere sympathy. When I met Lady Kerr in the summer in London she was obviously unwell and I greatly admired her courage and her refusal to allow her illness to interfere with her plans and desire to support you in every way as you took up your duties as Governor-General. My admiration was all the greater because you had honoured me with your confidence as to her state of health.

The Queen, who has of course read your letter of 6th September, has told me to thank you for your expression of loyalty. You are very much in her thoughts at this time. When sorrow stands at one's shoulder, it is a good thing to attend to business and to do what has to be done: because your letter is the product of this philosophy it is all the more valued.

The Queen was much interested to learn the background of Jack Bunting's appointment to London and of his replacement by Mr. John Menadue as Head of the Prime Minister's Department.

It will, of course, be a great pleasure to have Jack and Peg in London and I agree with you that it will also be invaluable to have a High Commissioner who is not only a personal friend, but also somebody who really knows Canberra and what goes on there.

It is obvious that there are going to be a great many problems in the next year or two between the National Government and the States in which The Queen will, inevitably, be involved, and it will be a great source of strength to have Jack round the corner when they arise.

The Australian Government is not the only one which suffers - or, if you like benefits - from "personal advisers." At the moment they flourish in Whitehall like "the Green Bay tree." I think they are the inevitable offshoot of a Radical Party coming to power after many years in the wilderness of opposition. From what you say, however, it appears that they cut more ice in Canberra than they do in Whitehall. This is, perhaps, because your Labour Party has been so long in the wilderness. It is not, I think, surprising that after 23 years in opposition, the Cabinet and the Caucus should find it hard to believe that the Public Service was prepared to serve them as loyally as they had served their predecessors. It is a pity however that relations between them are not by now as good as they should be. I am sure your influence will be most beneficial in improving the situation.



I hope very much you are successful in establishing a good relationship with Mr. Menadue, and I hope that I shall be similarly successful when I meet him, as I expect to do, in Jamaica in May for the meeting of Commonwealth Heads of Government.

You ask me if there is too much or too little in your letters, and I have no hesitation in saying that they seem to me to be just about right. I can assure you, anyway, that The Queen is deriving pleasure and interest from them and that, of course, is the main object of the exercise !

I am writing separately in answer to your letter of 9th September which arrived at the same time as the one on 6th September, to which this letter is an answer.

*Yours sincerely*  
*Martin Charteris*

His Excellency the Governor-General  
of Australia.

Government House,  
Canberra. 2600.

6 September 1974.

*Dear Sir Martin,*

I should begin by saying that my wife's health has deteriorated suddenly and seriously. Treatment has stopped and it is now only a matter of time - perhaps a few days. It is difficult for me to refer to this and go on to discuss official matters but it helps me to engage my mind on public affairs and I hope, accordingly, that you will understand the attempt that I feel able to make to discuss a few points for the information of Her Majesty The Queen.

The main matter to which I should like to refer is the decision that Sir John Bunting should go to London as the Australian High Commissioner and his place be taken, as head of the Prime Minister's Department, by Mr John Menadue.

I know that you are a personal friend of Sir John's and that he will doubtless take his own course in letting you know the background. On first impression, what has happened may not seem important enough for me to mention in a communication of this kind, being ostensibly no more than a re-arrangement at the top level of the Public Service.

However, there is some general background to what has happened which I think may be important enough to be recorded in this way.

Since I have been in office I have made it my business to see most of the Permanent Heads of the Public Service and especially the most senior ones. There is, I am afraid, a feeling of malaise at that level which has been quite specifically communicated to me.

I have been asked, as head of the Executive in Australia under The Queen, whether I would be prepared to interest myself in the welfare of the Public Service and in particular whether I would be prepared to deliver the Sir Robert Garran Oration this year. This is an annual oration which takes place under the auspices of the Royal Institute of Public Administration.

A subject has been suggested which will be along the lines "The Ethics of Public Office". The object is to examine the basic ethical foundation of the Public Service so as to help to get understanding of the proposition that the Service accepts its duty to serve all governments and to accept all policies.

Several reasons exist for there being an uneasy feeling at the top level of the Public Service. The present Government has been in power for twenty-one months and one would have thought that relations between the new Government and the Public Service would have, by now, settled down.

However, it would I think be true to say that the Cabinet and Caucus, having been out of power for 23 years, came into office with a feeling that the heads of the Public Service had been appointed by and grown up under the influence of their predecessors in Government for so long that they would not be willing to respond enthusiastically to the new initiatives which the Government wished to take.

If this feeling existed I believe that it was almost certainly wrong. The Public Service would, I feel, have welcomed a change after such a long period of time and have looked forward eagerly to the prospect of working co-operatively with the new Government.

The Ministers generally arranged to have small groups of personal advisers around them upon whom they relied for advice and ideas and in many cases I believe they tended to distrust or not be willing to rely upon their Departments. Understandable though this may have been in the early days, a feeling of mutual co-operation does not seem to have yet come about at least in some areas.

The Treasury has been one area where some difficulties of a quite serious kind have occurred. In the preparation of the Budget the head of the Treasury, Sir Frederick Wheeler, of course produced recommendations of a policy kind to endeavour to cope with inflation. These seem to have been brushed aside completely.

The new Deputy Prime Minister, Dr Cairns, is an economist and is advised in detail about economic matters by his staff and others. He headed one group in Cabinet which had very strong views, different from those of the Treasury. The Prime Minister has advisers in the economic field and their views appear to have been different again.

The Cabinet debates, I understand, were very difficult but proceeded by way of discussion of the non-Treasury opinions with the Treasury view virtually ignored.

This, of course, made the position of the head of the Treasury very difficult indeed. It was at about this time that Sir John Bunting's position was dealt with and someone from outside the Public Service nominated to replace him.

It was not so much the decision to offer London to Sir John that was disturbing in the top levels of the Public Service, but rather the introduction of someone who, though originally a public servant, had been in private industry for a number of years.

What has been happening has been against the background of a decision made by the Government to hold a Royal Commission into the Australian Public Service. This is the sort of thing that happens regularly in the United Kingdom - every 15 or 20 years, - but there has not been one in Australia for over 50 years.

Dr H.C. Coombs has been appointed to be Chairman of this Commission and I get the impression that the senior public servants are a little afraid that he will have some long-held ideas which conceivably might include new approaches to the selection and retention of permanent heads of Departments.

Some appear to fear politicisation of the position of the permanent head, others some kind of system under which permanent heads will be appointed for limited periods of time. The combination of the setting up of the Royal Commission, the changes made in relation to the permanent head of the Prime Minister's Department and the disregarding or setting aside of Treasury advice on important aspects of the Budget all reflect and contribute to the feeling of worry in the top echelons of the Public Service.

So far as Sir John Bunting is concerned, from what he and others have said to me, I believe he was quite happy on personal grounds to accept the London appointment and I know that Lady Bunting was delighted. Sir John, however, when he came to realise how his replacement would be selected was naturally concerned but by this time there was little that he could do or should have done.

One of the problems is that the present Government is anxious to get as much done as possible in as short a time as possible. This proceeds from a feeling that because of the economic situation and for other reasons it may not be in power for long and everything that can be done should be done on an urgent basis. This complicates Budgetary matters because it means heavy Government spending. It also subjects the Public Service to very great strain in servicing its requirements.

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In the result there is a tendency on the part of members of the Government and Labor Party to feel that the Public Service is not eager and enthusiastic enough but is sitting back and adopting delaying tactics.

The whole subject is a complicated one and I am looking at it quietly with a view to seeing whether I can, within the proper constitutional limits, do anything about it. I have tried, so far as I can, in private talks to help senior public servants not to over-react and I am thinking of having a word with the Prime Minister.

For the good of the country it seems to me to be necessary for a relaxation to develop between the Government with its eagerness for action and its own special outside advisers on the one hand and leading public servants on the other.

Time, I am sure, will produce this provided there is not too much exacerbation of the position on a day to day basis.

We all now await the Budget and its impact upon the economy. I know in broad outline what the position is to be. The fact is that there are two main schools of economic theory which take opposing views about what should be done. If what the Government finally decides turns out to be wrong the results could be very significant.

I am very sorry to lose Sir John Bunting as a friend and adviser at this end. He has been a great help to me both before and after my assumption of office. I shall have to adjust to his successor and to the new situation.

I hope that the present arrangements under which I am kept regularly informed about what is going on will continue under Mr Menadue, his successor. I am sure the Prime Minister would want this to happen. Indeed, the Prime Minister has endorsed a procedure under which Ministers will provide me with background briefings on major issues in direct discussion, to be followed up as necessary in further discussion with senior officials.

At your end you will have access to a new High Commissioner who really knows Canberra and the stresses and strains here, who knows all the people concerned very well and who is a devoted public servant. There is one area of our affairs in which he should be of very considerable help in the United Kingdom and, given the opportunity, to the Palace, and that is in connection with the range of problems which are causing serious complications between the National Government and the States, affecting the symbols of the Monarchy such as the Style and Titles of The Queen,

the National Anthem, the degree of formality in public affairs, and also the right of the States to deal directly with British Ministers, and the right of British Ministers to decide Australian questions that come up from the States.

As you know from my previous letter, dated 15 August, I am giving some thought to these matters and in particular to the National Anthem about which, as I said in my earlier letter, I shall write to you separately.

Perhaps you could let me have an indication as to whether or not there is too much or too little detail in the kind of communication that I have been sending to you.

I should be grateful if you would pass on to Her Majesty The Queen an expression of my loyalty and desire to assist in all possible ways.

*Yours sincerely,*

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.

PERSONAL AND  
CONFIDENTIAL



BALMORAL CASTLE

2nd September, 1974

*Dear Governor General*

Thank you very much for your letter of 15th August which I found waiting for me here on my return from leave a day or two ago.

I have shown your letter to The Queen who has read it with much sympathy, in so far as the passage dealing with Lady Kerr's health is concerned, and with great interest for the rest.

Her Majesty has told me to say how sorry she is that your wife has been unwell again and to send you, and her, her best wishes for an early improvement. I need hardly say how much I too feel for you in this situation.

I hope to be able to write to you separately, and in a few days, about the particular question of the possible purchase of a property in Australia by The Prince of Wales. I will restrict myself now to comments on the remainder of your most interesting and informative letter.

Even if as you say a Governor-General should not be his own lawyer, I can see that there is much advantage in his having a mind trained in the law, particularly when he has to contend with a written constitution. I certainly do not envy you your problems which are of course all the more likely to crowd upon you in the present delicately balanced political situation in Canberra.

A British Labour Prime Minister has more trouble with his party than does a Conservative one but he does not have to deal with problems which face Mr. Whitlam as a result of the power of the caucus. It must make things extremely difficult when budgetary problems are approached primarily with ideological rather than economic motives.

I am not surprised that the business over the petitions to The Queen has left a certain amount of trouble in its wake.

It is a very uncomfortable position for The Queen when she is subject to advice from more than one quarter. I do not see, however, that this position could have been avoided over the petitions on off-shore rights. Fortunately, the advice which The Queen received from the Commonwealth Government and the British Government were similar and the situation was not therefore nearly as bad as it might have been had they been dissimilar.

It seems to me that the very serious danger of The Queen receiving contrary advice must exist until the constitutional situation which gives rise to the danger is resolved: and this can only be done in Australia. Any further observation you have to make on this problem will be most valuable.

The matter of The Queen's Style and Title in Australia is, if I may say so, admirably summed up in the penultimate paragraph of your letter!

We have been saddened here at the death of Norman Kirk, whose death will I think be a serious blow to New Zealand. The Prince of Wales is going to Wellington today to represent The Queen.

With all best wishes,

*Your sincerely*

*Martin Chanters*

His Excellency the Governor-General of Australia.



CONFIDENTIAL

Government House,  
Canberra. 2600.

15 August 1974.

Dear Sir Martin,

There have been several reasons why I might have written earlier to let Her Majesty The Queen know, through you, of developments which have been taking place here in Australia during my first month in office, but on the whole, I have thought it better to wait until the first results of the double dissolution and joint sittings of the members of the two Houses of Parliament have become known. However, before dealing with official activities I should like to let you know of the unfortunate developments which have taken place on the personal side of my life.

My wife has been quite ill and is at the moment in the Royal Prince Alfred Hospital, Sydney. The condition from which she was suffering was not stabilised by the massive radiotherapy which she had endured prior to our visit to London. She had been advised, as I think I told you at the time, that it would have been better for her to have enjoyed a period of convalescence whilst I was in London. However, she was quite determined to accompany me on the trip and to have the privilege and pleasure of being received by The Queen.

She had previously passed through a rather trying time during the 150th Anniversary of the Supreme Court of New South Wales at which we had Lord Hailsham as our guest. Her illness had not developed until about last Easter after my proposed appointment as Governor-General had been announced and after I had resigned as Chief Justice of New South Wales and my successor had been appointed. All the facts were, of course, known to the Prime Minister and he urged me to carry on if I possibly could.

My wife and I decided to go ahead. We had crossed the Rubicon so far as our position in New South Wales was concerned and the challenge of my present appointment was important to both of us.

After our return from London my wife developed further problems which made additional radiotherapy necessary during the last few days before the swearing-in. We had, in the meantime, got through the farewell functions and ceremonies

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associated with my departure from New South Wales. She attended the swearing-in ceremonies, took up residence with me at Yarralumla and undertook the first few official activities.

However, it soon became apparent that she would need further treatment and after a period in hospital during which tests were made, aggressive chemotherapy was begun. She is still in hospital and is expected to come home to Admiralty House tomorrow where she will have a rest for two weeks and if the treatment is proving reasonably effective, she will then return to hospital for a further two weeks. The whole treatment, if it can be continued and is judged to be worthwhile, may extend over six months.

I am spending a significant proportion of my time at Admiralty House but am carrying on the full range of my duties in Canberra by engaging in constant travel between the two cities. My wife is very disappointed about the way things have turned out and she was looking forward very much to resuming the duties and opportunities in her new office. For the moment we must simply await the outcome.

With regard to the swearing-in ceremony, I shall address a separate letter to you explaining some of the things that were done, partly to make things a little easier for her and partly for other reasons. In this letter I shall confine myself to the more important happenings on the official side during the last month.

Sir Paul Hasluck opened the new Parliament, which resulted from the double dissolution and the election, on 9 July. A copy of his opening speech has already been sent to you. Its main theme was to the effect that the Government intended to press ahead with and carry out the legislative programme which it had already begun. The double dissolution provided it with an opportunity to present again to Parliament legislation which had previously been rejected by the Senate.

Some changes have taken place in the political scene here. A new President has been elected in the Senate. This came as a surprise because the situation after the election was that the Government enjoyed the support of 29 Senators, the Opposition 29, and there were 2 Independents.

Of the 2 Independents one was expected constantly to support the Opposition - Senator Townley. The other, Senator Hall, who had been the effective leader of the Liberal Movement in South Australia, a split-off from the Liberal Party, was thought to be likely on occasions to vote for the Government.

This has proved to be the case and his support for the Government on some issues deadlocks the Senate, there being 30 votes for each of the two sides.

So far as the election of the President was concerned the surprise was that someone else voted against the incumbent President, Senator Sir Magnus Cormack, with the result that his opponent, Senator Justin O'Byrne, the Labour nominee, won the election.

It is not known who defected but Senator Townley, one of the Independents, asserts that he voted for the Opposition nominee, whilst it seems to be clear that Senator Hall did not. The defector, who presumably came from the Government ranks, must have had some personal reason for opposing Sir Magnus Cormack.

In any event, Senator O'Byrne has been installed and the Government has whatever minor advantages flow from the proceedings being under the Chairmanship of one of its members.

The position of Senator Hall is quite important to the Government. If he votes with the Government on an amendment which would require a positive vote of 31 to 29 against the Government, he can and does produce a deadlock which means that the amendment goes in the negative.

On the other hand his vote is not sufficient to enable the Government to pass positively any legislation to which the Opposition and Senator Townley refuse to give their approval.

One interesting circumstance which has arisen is that when it came to the Address-in-Reply from the Senate, the practice of the last two occasions could not be followed. I understand from Sir Paul Hasluck that that practice had unsatisfactory features.

The Senators on those occasions passed resolutions on policy matters which were incorporated in their Address-in-Reply and in due course were brought to Government House by the Opposition Senators when the Address-in-Reply was presented to the Governor-General. On this occasion Senator Hall refused to participate in this procedure by way of support for the Opposition and no amendment to the Address-in-Reply being possible the normal Address-in-Reply was allowed to go through.

Out of respect to me as a new Governor-General, the whole of the Senate, with the exception of one or two who were ill, attended upon me to present the Address and the occasion was a very pleasant one.

Senator Hall has also negatived other amendments, one of particular importance, and I shall discuss this matter in more detail later. It is sufficient at this stage to say that he voted against an amendment to the Petroleum and Minerals Bill which would have resulted in an attempt to put material before me as Governor-General on the question of what I should do about a joint sitting of the members of the two Houses.

Despite Senator Hall's help to the Government, the Opposition remains firmly in control of the Senate and is being accused by the Government of continued obstruction to its legislative programme. I think it fair to say that the Opposition itself would probably accept the view that it intends to reject any legislation with which it does not agree, and thus the seeds could be sown for still another double dissolution later. The leader of the Country Party has said that the Opposition parties do not intend to deny supply on the coming Budget and thus to force an early election but a build up of Bills rejected by the Senate would create the possibility of a further double dissolution later in the year and this is being threatened by some Ministers. Political circumstances could make this a development of some attraction from the Opposition's point of view because of the deteriorating economic situation but things remain very fluid and unpredictable at the moment.

Turning now to the position which has arisen in the Government party Mr Barnard, former Deputy Prime Minister and Deputy Leader of the party, was defeated in the election of leaders which took place as Parliament was preparing to meet. He was replaced by Dr Cairns, the Minister for Overseas Trade, and it was thought that this might have led to a different political complexion in the Cabinet which was to be elected at the same time.

The Prime Minister had, I believe, hoped that there would be some changes in his Cabinet team which would enable him to make a reshuffle of portfolios but in the outcome the same Cabinet was re-elected except that one new member, Senator Wheeldon, took a place in the Cabinet instead of the defeated Minister for Immigration, Mr Grassby, who did not come back to Parliament after the election.

It is too early for me to assess the likely results of the changed balance within the Cabinet and Caucus as a result of the elevation of Dr Cairns. He seems so far, particularly on economic matters, to have co-operated well with the Prime Minister, but there have been nevertheless, considerable difficulties for the Prime Minister in the economic field in handling policies both in Cabinet and Caucus.

A mini Budget was discussed within Cabinet and later within Caucus and several of the proposals which were to be put forward failed to pass through Cabinet and there was also trouble in Caucus. Indeed some of the anti-inflationary measures remaining after Cabinet changes appear to have been in real peril in Caucus.

What survived is not thought to be likely to achieve very much and as I write the prospects of "stagflation" appear to be very great. Unemployment is growing and so is inflation. The Budget has, however, yet to come.

The problems of inflation are enormously difficult here as they are in the United Kingdom and elsewhere in the Western World. In Australia, however, it is difficult for the inner group in the Cabinet, responsible for economic policy, to evolve and carry through a plan because here, as you would know, when a Labour Government is in power what happens in Cabinet results from a vote and Cabinet is bound by similar voting patterns and habits in Caucus.

The idea of concensus government with a leader evolving and stating what he understands to be the concensus does not work with a Labour Government. With all 27 Ministers in the Cabinet, this makes it possible for the economic Ministers to be over-ruled by others who not only have no direct responsibility for economic policy and little enough experience and knowledge in the field but who also bring ideological and other political considerations to the decision of economic matters. This can and does overturn policies for which the leaders wish to press.

Everybody is now getting ready for the Budgetary Session and the big question mark is just how far the Government will be able to go in attempting to control inflation or to limit its rate of increase whilst unemployment is rising.

You will know, of course, that so far as the Senate is concerned, the Democratic Labour Party lost all its Senators in the election and this is another reason why the Senate is a different place from what it used to be for many years prior to the election.

Turning now to another matter, Sir Paul Hasluck wrote me a hand-written letter in which he put me in the picture about the proposal for His Royal Highness The Prince of Wales to purchase a property in New South Wales. I am aware that His Royal Highness wishes to visit the property during his stay in Canberra and Sir John Bunting, to whom I have been talking about this matter, is arranging for such a visit to be included in the schedule. I shall be brought fully up to date about the proposal in the near future.

Sir Paul appeared to be under the impression, according to the letter which he wrote to me, that for reasons connected with the United Kingdom side of the proposal the Royal Family was for the time being not intending to go on with the purchase in the immediate future, but I rather had the impression from Sir John Bunting that whatever problems had arisen in the United Kingdom had been ironed out and that the purchase would proceed. This appears to have come from Mr Vines.

Sir Paul indicated to me in his letter that you had asked him that I be brought into the picture and this is being done. I shall soon see the few people who already know about this, including Mr Vines. Any background you can give me from your end would be helpful in enabling me to strike the right note here. I appreciate, of course, that the matter is a delicate one and that everything has to be handled with care.

A matter which causes me some concern has arisen because of what happened about the petition from the Tasmanian Government to The Queen to have the Privy Council give an opinion upon the off-shore question. As you probably know, when The Queen made her decision Sir Paul was told that this had been done on the advice of her Australian Ministers and he so informed the Governor of Tasmania. This produced a protest from the latter on behalf of his Government. He said that he had been told from the Foreign and Commonwealth Office that The Queen had acted on the advice of her United Kingdom Ministers. He accordingly asked that Sir Paul amend his despatch to the Governor of Tasmania to bring it into line with what had been said by the Foreign and Commonwealth Office.

There were discussions between the previous Governor-General and the Prime Minister and Sir Stanley Burbury was told that what had previously been said was in fact true, whereupon a reply came in to me after my assumption of office which accepted the view that Sir Paul could not amend what he had said in his despatch but stated that the Government of Tasmania rejected the proposition that The Queen was entitled to act upon the "advice" of her Australian Ministers in such a State matter.

I have sent Sir Stanley's despatch to the Prime Minister and asked for advice, but I understand that the position of the Prime Minister of the United Kingdom on this type of question is that these problems between the States and the Commonwealth have to be sorted out in Australia and that until they are, The Queen will necessarily have to act upon the advice of her United Kingdom Ministers in a situation such as the one which has recently arisen. I must say that this situation causes me some concern because it appears that The Queen herself may be brought into political issues between the States and the Commonwealth. It would be most embarrassing if, on an Australian matter about which the Australian Government had strong views, she found herself in a position of having to act on the advice of her United Kingdom Ministers when advice coming to her from her Australian Ministers was to the contrary. There have been some developments in Queensland which have, what seem to me to be, some awkward features and I shall deal with this separately in this letter.

This whole area is a delicate one which I am only beginning to appreciate and I shall give it careful attention and thought and, if you are interested to have my observations on the position as it develops, I shall say something in more detail in a later letter.

I now turn to what has been a most important and indeed historic political question in Australia and one in which I was directly concerned. It will be necessary to give you a little background about what happened in Sir Paul's day.

There were six Bills which allegedly had been twice rejected by the Senate under circumstances said to warrant a double dissolution of both Houses of Parliament. Sir Paul granted a double dissolution in relation to all six Bills saying that each had provided an occasion which entitled the Government to advise him that there should be a double dissolution and his Proclamation referred to the six Bills. A copy of that Proclamation is annexed.

The election having been held and Parliament having been summoned, all six Bills were presented again in the House of Representatives, sent to the Senate and again rejected in the Senate.

Acting under Section 57 of the Constitution, the Prime Minister then attended upon me and sought a Proclamation from me summoning the members of the Senate and the members of the House of Representatives to a joint sitting under the provisions of Section 57 of the Constitution. For ease of reference I annex a copy of Section 57.

I was presented with a rather difficult problem which I resolved in the following way. One of the six Bills presented to Sir Paul as being one which provided an occasion warranting a double dissolution was the Petroleum and Minerals Authority Bill. It was said that this Bill was rejected a first time by the Senate (or rather that the Senate failed to pass it on its first presentation to that body) because it arrived there on 12 December and was debated on 13 December when an amendment was moved and carried that the further discussion should be adjourned until after the Christmas break. In order to get the necessary three months between the two necessary rejections by the Senate the failure to pass the Bill the first time on 13 December had to be relied upon as a failure to pass within the terms of Section 57.

The new Senate endeavoured to pass an amendment on the third occasion when the Bill came up before the new Parliament. This would have directed my attention to the fact that the appropriate period of three months had not, as Sir Paul accepted that it had, passed between the first two rejections. Senator Hall voted against the amendment and it failed but its terms were communicated to me by the Leader of the Opposition whose letter I merely acknowledged.

To support what he had done Sir Paul had an opinion from the Attorney-General of the Commonwealth of Australia, Senator Murphy, advising that there had been a failure to pass the Bill on 13 December. Although he had a joint opinion from the Attorney-General and the Solicitor-General on another controversial issue the joint opinion did not extend to this point about the three months interval in the case of the

Petroleum and Minerals Authority Bill.

The other controversial question to which I refer was the question whether, under Section 57, the House of Representatives can store up a number of Bills rejected by the Senate and then have a double dissolution which in due course could result in a joint sitting at which all of the Bills stored up could be dealt with.

The contrary point of view was that Section 57, expressed as it is in the singular and not the plural, can be applied to only one Bill with the result that only one Bill can be presented to a joint sitting.

There are many legal refinements about this argument which I shall not discuss in this letter. When it came to the question of obtaining a Proclamation from me that there should be a joint sitting in which all six Bills could be dealt with one important question was whether Sir Paul had been right in taking the view, on the basis of the opinion from the Attorney-General, that in the case of the Petroleum and Minerals Authority Bill there had been an interval of three months between the two rejections in the Senate.

When the Prime Minister attended upon me he brought with him the Solicitor-General and the head of the Attorney-General's Department. It became apparent in the discussion that the Solicitor-General, Mr M.H. Byers, Q.C., who had not up to this point of time given an opinion on this point, was willing to do so and I gained the impression willing to do so on the basis that the earlier opinion of the Attorney-General was correct. However, it was put to me, both by the Prime Minister and the law officers, that whether this point of view be correct or not I could not and should not review what Sir Paul had done on this point.

It was said that I was confined in law to the next step which would consist simply in a decision whether the Petroleum and Minerals Authority Bill had been rejected a third time in a new Parliament by a new Senate. It was put to me as a matter of law that I was so confined and in due course a joint opinion by the Attorney-General and the Solicitor-General set out quite specifically the legal point of view that I could not make up my own mind about whether, on the Petroleum and Minerals Authority Bill, there had been the three months interval which would have warranted a double dissolution.

I accepted this opinion for the reason that I did not think that as Governor-General I should be my own lawyer, and make up my mind about what the law permitted me to do. I was in fact, highly doubtful about what had happened but I did not apply my mind in detail to the legal point. I accepted the advice given in the joint opinion and the Proclamation was constructed so as to refer to all six Bills. A copy of my Proclamation is annexed. The Bills were, in due course, considered at a joint sitting and all were passed.



However, before the joint sitting took place there was a challenge in the High Court of the validity of my Proclamation. There were a number of reasons why it was said to be invalid. The main one was also indirectly an attack on Sir Paul's Proclamation because it was argued that the joint sitting could consider only one Bill. It was said that there was at least one Bill which the joint sitting could consider but it was also said that by summoning a joint sitting at which all six Bills could be considered I had produced an invalid Proclamation.

The Proclamation was, of course, drafted by the Government and submitted to me as the Proclamation which I should make. It was counter-signed in advance by the Prime Minister.

The High Court held that the law did not require that only one Bill could be considered at the joint sitting.

Another basis of attack upon my Proclamation was that it included the Petroleum and Minerals Authority Bill by specific reference. In substance, all Judges agreed that this was not a basis for declaring the Proclamation invalid or restraining the joint sitting from taking place, but it was clear from the judgments that the Court would regard it as being open in any later challenge of the Petroleum and Minerals Authority Act for it to be argued that the necessary three months had not intervened between a first and a second rejection of the Bill by the Senate. The judgments of the High Court are all interesting to me as a lawyer but I will not burden you with an analysis of the different ways in which the different Judges looked at the matter.

Another point which was discussed at some length in the judgments was whether the Court had the power and jurisdiction to intervene in the Parliamentary process so as to be able to stop the consideration of a Bill in a joint sitting.

Many legal authorities were quoted on this point. Some of the Judges were of the view that it could not be done but there was a majority for the point of view that in an appropriate case it could be done. All the Judges believed that the present case was not an appropriate one.

There will be challenges in the Court to some, if not all, of these Bills now that they have become Acts, upon the basis that they are not valid either because they exceed the powers of the Commonwealth Parliament or because the Commonwealth Parliament did not proceed validly in the way it handled the Bills.

I hope that what I have to say on this subject has not been too complicated and detailed.

We are moving into a time when relations between the High Court and Parliament will come in for a certain amount of discussion and Parliamentary legislation will be attacked as to its validity. All of this will be happening under

circumstances of considerable economic difficulty.

There is one further matter of which no doubt we shall be hearing more in the future. Section 3 of the Appeals and Special Reference Act 1973 of the State of Queensland purports to authorise The Queen to refer to the Judicial Committee of the Privy Council for hearing and consideration any question or matter arising under or concerning any law in force in Queensland and to authorise the Judicial Committee thereupon to hear and consider the same. Section 4 purports to authorise the Queensland Supreme Court, on the application of the State Attorney-General, to certify that such a matter or question ought to be referred to the Judicial Committee under section 3 or under the Judicial Committee Act 1833 for hearing and consideration and advice thereon. Laws in force in Queensland would include the Australian Constitution and laws of the Australian Parliament.

By notice of motion dated 3 July 1974 the Queensland Attorney-General asked for an order granting a certificate under section 4 of the Queensland Act that the following questions ought to be referred to the Judicial Committee of the Privy Council:

1. Is it within the powers of the Queensland legislature to enact that in Queensland Her Majesty's Royal Style and Titles be -

'Elizabeth the Second, by the Grace of God  
Queen of the United Kingdom, Australia,  
Queensland and her other Realms and Territories,  
Head of the Commonwealth'.

2. Have there been any (and if so what) alterations in the nature or the extent or the manner of the exercise of the prerogatives of Her Majesty in relation to Queensland by reason of -
  - (a) the Proclamation of the new Australian Royal Style and Titles on 19 October 1973
  - (b) the Royal Style and Titles Act 1973 of the Australian Parliament.
3. Has the Proclamation or the Act made any alteration in the manner in which or the extent to which Her Majesty is entitled to receive and act on advice given to her by her Ministers of State in the United Kingdom and in Queensland in relation to matters affecting Queensland?

The Queensland Supreme Court has adjourned the proceedings until 20 August.

In a Writ taken out in the Sydney Registry of the High Court of Australia on 14 August 1974, the Australian Government has sought :

'(a) A declaration that the provisions of the Appeals and Special Reference Act 1973 of the State of Queensland do not validly permit -

- (i) the Attorney-General of the State of Queensland to commence or maintain in the Supreme Court of Queensland the proceedings being Notice of Motion No. 96 of 1974 of the Supreme Court of Queensland for orders under section 4 of the said Act.
- (ii) the Supreme Court of Queensland to entertain those proceedings or to grant all or any part of the orders sought by the Attorney-General in those proceedings.
- (iii) the Governor in Council of the State of Queensland to request Her Majesty to refer the question or matters referred to in the said Notice of Motion to the Judicial Committee under the provisions of the said Act or under the provisions of the Judicial Committee Act 1833.

(b) An injunction restraining the Attorney-General of the State of Queensland from proceeding further with the said Notice of Motion.'

You will note that the Writ does not ask for any ruling on the Royal Style and Titles although that matter will be incidentally involved. The relief claimed is to the effect that the Queensland Act cannot constitutionally legislate for the reference of such questions to the Judicial Committee of the Privy Council.

The attempt in Queensland to raise the question of the Style and Titles of The Queen so as to incorporate "Queen of Queensland" seems to be another indication of the willingness of some to conduct their political disputes in such a way as to incur the risk of bring the loyal attitudes to The Queen which exist widely throughout Australia into play as part of the political process.

I hope this letter is of some use. Another shorter one will follow in the near future dealing mainly with ceremonial matters.

*Yours sincerely,*

JOHN R. KERR

Lieutenant-Colonel the Right Honourable  
Sir Martin Charteris, K.C.B., K.C.V.O., O.B.E.,  
Private Secretary to The Queen,  
LONDON. ENGLAND.

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SPECIAL

## PROCLAMATION

Australia  
PAUL HASLUCK  
Governor-General

By His Excellency the  
Governor-General of  
Australia

WHEREAS by section 57 of the Constitution it is provided that if the House of Representatives passes any proposed law, and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree, and if after an interval of three months the House of Representatives, in the same or the next session, again passes the proposed law with or without any amendments which have been made, suggested, or agreed to by the Senate and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree, the Governor-General may dissolve the Senate and the House of Representatives simultaneously:

AND WHEREAS the conditions upon which the Governor-General is empowered by that section of the Constitution to dissolve the Senate and the House of Representatives simultaneously have been fulfilled in respect of the several proposed laws intitled—

*Commonwealth Electoral Act (No. 2) 1973*

*Senate (Representation of Territories) Act 1973*

*Representation Act 1973*

*Health Insurance Commission Act 1973*

*Health Insurance Act 1973*

*Petroleum and Minerals Authority Act 1973*

NOW THEREFORE, I Sir Paul Meernaa Caedwalla Hasluck, the Governor-General of Australia, do by this my Proclamation dissolve the Senate and the House of Representatives.

(L.S.) Given under my Hand and the Great Seal of Australia on 11 April 1974.

By His Excellency's Command,

E. G. WHITLAM  
Prime Minister



## PROCLAMATION

Australia  
JOHN R. KERR  
Governor-General.

By His Excellency the  
Governor-General of  
Australia.

WHEREAS a Proclamation made on 11 April 1974 by the Governor-General of Australia then holding office recited that the conditions upon which the Governor-General is empowered by section 57 of the Constitution to dissolve the Senate and the House of Representatives simultaneously had been fulfilled in respect of the several proposed laws intituled:

*Commonwealth Electoral Act (No. 2) 1973*

*Senate (Representation of Territories) Act 1973*

*Representation Act 1973*

*Health Insurance Commission Act 1973*

*Health Insurance Act 1973*

*Petroleum and Minerals Authority Act 1973:*

AND WHEREAS, by the said Proclamation, the said Governor-General dissolved the Senate and the House of Representatives accordingly:

AND WHEREAS, since that dissolution and the election of the Twenty-ninth Parliament, the conditions upon which the Governor-General is empowered by section 57 of the Constitution to convene a joint sitting of the members of the Senate and of the House of Representatives have been fulfilled in respect of each of the said proposed laws:

NOW THEREFORE I, Sir John Robert Kerr, the Governor-General of Australia, do by this my Proclamation convene a joint sitting of the members of the Senate and of the House of Representatives, to commence in the House of Representatives Chamber at Parliament House, Canberra at 10.30 o'clock in the morning on 6 August, 1974, at which they may deliberate and shall vote together upon each of the said proposed laws as last proposed by the House of Representatives:

AND all members of the Senate and of the House of Representatives are required to give their attendance accordingly.

Given under my hand and the Great Seal  
(L.S.) of Australia on 30 July 1974.

By His Excellency's Command

E. G. WHITLAM

Prime Minister

SECTION 57 OF THE CONSTITUTION OF THE COMMONWEALTH OF AUSTRALIA

Disagreement  
between the  
Houses.

57. If the House of Representatives passes any proposed law, and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree, and if after an interval of three months the House of Representatives, in the same or the next session, again passes the proposed law with or without any amendments which have been made, suggested, or agreed to by the Senate, and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree, the Governor-General may dissolve the Senate and the House of Representatives simultaneously. But such dissolution shall not take place within six months before the date of the expiry of the House of Representatives by effluxion of time.

If after such dissolution the House of Representatives again passes the proposed law, with or without any amendments which have been made, suggested, or agreed to by the Senate, and the Senate rejects or fails to pass it, or passes it with amendments to which the House of Representatives will not agree, the Governor-General may convene a joint sitting of the members of the Senate and of the House of Representatives.

The members present at the joint sitting may deliberate and shall vote together upon the proposed law as last proposed by the House of Representatives, and upon amendments, if any, which have been made therein by one House and not agreed to by the other, and any such amendments which are affirmed by an absolute majority of the total number of the members of the Senate and House of Representatives shall be taken to have been carried, and if the proposed law, with the amendments, if any, so carried is affirmed by an absolute majority of the total number of the members of the Senate and House of Representatives, it shall be taken to have been duly passed by both Houses of the Parliament, and shall be presented to the Governor-General for the Queen's assent.

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