I do not think any Australian likes double standards. There was an example of a double standard a short while ago. The Prime Minister attacked General Motors Holden for having appointed an American to be the Chief Executive Officer of that Company in Australia. The view was very strongly put that an Australian ought to be chosen.

In broad terms I would support that view. I was all the more surprised, therefore, to find the Prime Minister announcing that a Canadian was being appointed to head the Australian Department of Transport. The person who has been appointed probably has many qualifications and many good ones, but if the Government wants to criticise the appointment of an American to head General Motors, how can it appoint a Canadian to head one of its own Departments.

Earlier this month Jim Cairns, the Minister for Overseas Trade, announced a 3-year agreement for the sale of wheat to China. The agreement was for something between 4.0 to 4.7 million tons over 3 years - that is equivalent to a little over 170 million bushels over the 3 years.

At present world prices that 170 million bushels would be worth $600 million. Unfortunately this agreement is not as firm as it sounds, because the price has only been negotiated for the first instalment, and whether or not a sale will in fact take place in the future will depend upon whether China and the Australian Wheat Board can agree on price.
The first sales have actually been negotiated, and are around 31.50 per bushel and are worth about 280 million. The Chinese expect world prices of wheat to fall, because the price for the balance of the first year's commitment of 1.1 million tons is not to be negotiated until June next year. The agreement is unfortunately a fairly loose one and whether it advantages wheat growers or not will depend upon the price actually to be negotiated in the latter period of the agreement. At this stage there is certainly no firm commitment.

Last week a Censure Motion was moved against the Government by Mr. Snedden, Leader of the Opposition. The Prime Minister replied and then went off to Albury to sign an agreement with the Victorian and New South Wales Premiers.

This was no doubt an important occasion, but I asked the Parliamentary Library to do a little research and on the information given to me it was the first time a Prime Minister had been absent from the Parliament while a Censure Motion was still under debate, and the first time a Prime Minister had left before the vote had been taken.

These Censure Motions are predictable in that the votes are nearly always on Party lines, but they do provide an opportunity for the Opposition to attack and to criticise the Government and for the Government to defend its policies. It is all part of the process of Parliament and of public education.

I do not really believe the main charges of the Opposition were answered. Inflation is running at nearly 15 percent and the Government has not yet done anything that will stop it. The Government has increased interest rates to the highest level for 100 years, causing a good deal of hardship and difficulty to many people especially to those trying to save to buy their first home. We all know last year we were promised low interest rates – down to 3 percent – what is your overdraft now, 8 percent, 9 percent or 10 percent?
The Government has of course put itself in this position by refusing to use the instruments of economic control properly and adequately. It is seeking powers over incomes and prices leading people to believe that this will enable the Government to control inflation - it won't unless the fires that keep the pressures burning are put out.

Last week the Minister for Labour said that he wanted to see quarterly cost of adjustments to wage rates re-introduced.

I wonder if the Minister had read the judgement of the Conciliation and Arbitration Commission when they abandoned quarterly adjustments in 1952/53. The Court pointed out that it had stopped relating the basic wage merely to a basic standard of needs, as was the case in the Harvester Award. The Court said that since 1950 the basic wage was based on economic capacity to pay, which was quite a different concept leading to a higher wage. The wage was thus fixed at the highest level that the Commission thought the economy could bear.

Because it was based on the economic capacity to pay, the Court said there was no justification for maintaining quarterly adjustments. It went on to say that the quarterly adjustments had been an accelerating factor in the rapid increase in prices and inflation, and the Court strongly rejected any opinions to the contrary that had been given to it.

The Court pointed out that the frequency and impracticability of price and wage changes makes the planning of business or financial transactions very difficult indeed. For example, builders would be in a difficult position giving a firm contract price.

The Minister proposes to return to the system which the Court dismissed in 1952/53. In the present inflationary circumstances the Minister's proposals would only make inflation worse with consequent harm to families right throughout Australia.

I would suggest that since the amalgamation of the basic wage with margins resulting in the minimum wage concept of 1967, there is even less justification for a return to quarterly adjustments.
Prime Minister's Humbug

The Prime Minister is asking for powers that would allow the Commonwealth to control all incomes and all prices. Last week he was asked how he would use the incomes power. It is worth noting that every example he gave was inflationary. Thus, he is asking for powers which he says will help him to curb inflation, but he is proposing to use the incomes power in an inflationary manner.

For example, he said that he could use the incomes power to make periodic adjustments to wages and salaries compulsory. As the Arbitration Commission explained so clearly in its case concerning quarterly adjustments, this would add strongly to the upward spiral of wages and prices.

The Prime Minister's humbug must be plain to everyone but himself.