



**NAA: M1767, 2/1**

**Series number:** M1767

**Control symbol:** 2/1

**Barcode:** 11543215

**Number of pages:** 68

**Title:** The Governor-General's periodic confidential reports to The Queen [Sir Paul Hasluck – correspondence with The Queen – Palace letters] Part 1

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GROUP 1.

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Government House,  
Canberra. 2600.

24th July, 1969.

Over two months have passed since I took the oath of office as Governor-General of Australia. During that time, my wife and I have made official visits to each of the State capital cities.

Each of these official visits had a similar pattern, with a vice-regal function at Government House, a State function at Parliament House, and a civic function at the Town Hall. This gave us the opportunity of meeting all those who occupy the principal public offices in each State, as well as a considerable number of representative citizens. I have the duty and pleasure of conveying to Her Majesty many expressions of loyalty and devotion to the Throne from men and women serving Her in many different capacities.

Following the first official visit to each State, I felt myself free to accept invitations to other public functions throughout Australia, and thus have had further opportunities of coming into touch with numbers of people in various walks of life. My wife and I have also received in our own house a considerable number of Australians, both those who sought to pay calls by reason of their office and those whom we invited as guests. In arranging our guest lists we have consciously brought into the circle of Government House a number of persons, particularly in the younger age groups, who had not hitherto been present at vice-regal functions, and the results have been such as to encourage us to try to continue on this line.

May I venture to convey to Her Majesty some of the impressions I have formed of the present state of opinion in Australia regarding the Crown.

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Stet  
corrected out in error  
J.M.

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Among those occupying high office and bearing responsibility in public life there is full loyalty, both to the person of Her Majesty and to the system of a constitutional monarchy. This is true of all sides of politics. There may be some latent republicanism on the far left of politics, but I know of no active public advocacy of it. Perhaps the clearest way to summarise this impression is to say that, while most persons in political life recoil from the idea of a republican form of government, a few may ponder the question before they dismiss such a fundamental constitutional change as either impracticable or undesirable at present.

May I also say, however, that there is an unthinking republicanism among some of the younger people, mostly those who have read a little but not enough. They have a tendency to confuse "republican" with "democratic", or to believe that a republican form of government is "more democratic" than a constitutional monarchy. The way in which the United States presents its own history and extols its own system has helped to produce this illusion. Part of the task before us in Australia is to make it clearer, both by word and deed, that a constitutional monarchy is close to the people, concerned with their welfare and an expression of their will no less than a system under which the elected leader of a political party is the Head of State.

Among that large part of the population who may be called plain folk, using the term as one of admiration for uncomplicated common sense and kindness, there is warm and sincere devotion to their Queen. They respond immediately and with affection whenever they have the opportunity of doing so.

For the rest, I feel a duty to report faithfully that there is a good deal of indifference both to the Throne and to the vice-regal office. I do not think that this betokens any lack of loyalty, but rather that a considerable section of the community seldom, if ever, think about the subject. They are not unfriendly, but have a vague feeling that the Crown has nothing to do with them, nor they with it. Perhaps I can make my meaning clearer by an analogy. A measure

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of religious indifference does not mean a rejection of religion but rather reflects a feeling that churches are places frequented by other people, and also reflects a self-centred view that a person need not bother God so long as God does not bother him. Perhaps a good deal of the indifference to the Throne is of this kind.

In Australian conditions, this attitude of seeming indifference may be encouraged by two tendencies. One is the tendency for the members of certain sections of the community, acting from commendable motives, to make "loyalty" their peculiar possession, and to question the respectability, if not the loyalty, of those who do not give to the word the precise meaning that they themselves give to it. The second tendency is for the viceregal office in Australia, centred on a "Government House" in each capital city, to form around itself a Government House circle. To some extent this is unavoidable, but unless the circle is a widening one and weak at the edges it could become a barrier to any attempt to extend the influence for good of the Crown in the Australian community.

One further impression I have formed is that the appointment again of a civilian as Governor-General accords with the sympathies of a considerable body of the Australian people. There also appears to be a strong sentiment in favour of the appointment of an Australian. I would not wish to over-stress these points, but they have led me to the tentative view that the sort of Government House that will commend itself to the majority of the population here is one that appears to them as Australian and civilian.

I also feel a duty to report faithfully to Her Majesty my observation that the growth of strong Australian national sentiment has been accompanied by some change in popular feeling towards Britain. I am sure that this has been reported to Her Majesty on other occasions. The policy of associating Britain with the European Economic Community; the decision to withdraw forces from Malaysia and Singapore; and the devaluation of the pound were three recent events that gave to many Australians the opinion either that Britain was unwilling, or that she was unable, to maintain the position she formerly occupied.

To smaller sections of the Australian population - those who might be called "Empire loyalists" - the events which led to the separation of Rhodesia from the Commonwealth and the fact that for the first time Australia was fighting in Vietnam in a war in which Britain was not engaged meant a loss of some of the notions which these sections of the community had cherished about the British Commonwealth. Among even smaller but perhaps more influential sections of the population it has been observed that in international conferences, and in a number of questions of international concern, the interests of Australia may not be identical with those of Britain and that it cannot be expected that Britain will always vote in support of an Australian view.

I would hope that Her Majesty would not be led to think that what I have written means that there is any growth of anti-British feeling. Far from it, there is still a strong sentimental attachment to Britain and things British. But at the same time there is a realisation that Great Britain and Australia are now two separate nations and that, though they are in close and friendly relationship, their needs and their interests and the outlook of their people are not identical. Unfortunately, it may be - though in this point I hesitate to write firmly - that many Australians apply this conclusion as a criticism of Britain for not continuing to do as much for Australia as she used to do, but do not ask themselves whether Australia might not be doing less for Britain than she used to do.

This situation, if I have described it accurately, touches on the regard in which Her Majesty is held. When people here talk of "Our Queen" today, they are thinking chiefly of the Queen of Australia, and I have noticed that one of the divisive tricks used by those unfavourable to us is to represent Her Majesty as being the "British Queen". "British" is not as persuasive an adjective in Australia today as it used to be. Close, direct and visible links between Her Majesty and her Australian Realm will always be valuable, and in this connection I need only mention the great effect of the period spent in Australia by His Royal Highness The Prince of Wales. May I venture to suggest that any further

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period of residence here by His Royal Highness, as heir to the Throne, or a period of residence by Her Royal Highness The Princess Anne would be very well received.

I understand that my predecessor discussed the question whether Her Majesty might obtain a residence of Her own in Australia. May I be allowed to express my own support of this suggestion. The presence of Her Majesty, not as a Royal Visitor, but as one living in Her own land in Her own residence, would be very well received.

May I also assure Her Majesty that Her Australian subjects are looking forward to Her visit in 1970 and will welcome Her with loyalty and affection.

One further report that I should make is that, in my observation, the Australian newspapers, wireless and television stations, including the Australian Broadcasting Commission, cannot be relied on fully for co-operation and goodwill in helping to meet the special problems of relationship between the Crown and the Australian population. Despite what managements may profess, it is doubtful whether any sense of public duty would move them to assist, or restrain them from injuring either the monarchy or the vice-regal representatives. They will be interested primarily in what they regard as a "story" and more often that means for them something that goes wrong than something that goes right or, on the analogy that it is only news when a man bites a dog, they will be looking for the unusual. Photographers and television may be more helpful to us chiefly, I think, because of their constant search for events that will provide pictures. The situation is probably much the same as that in the British Isles.

I mention these matters as they may have relevance to Her Majesty's visit to Australia. Her Majesty's advisers, and especially those engaged in public relations, should be aware that there is a problem to be overcome in communicating with the people. One obstacle will

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be indifference and lack of information among large numbers, and in any attempt to remove that obstacle it cannot be taken for granted that the media of public communications will be helpful. They will act from self-interest. The best opportunity for turning their self-interest to our own advantage seems to me to be in the field of television by providing them with a spectacle and facilities for depicting it.

In conclusion, may I mention to Her Majesty the deep impression that was made throughout the country by the presentation on television screens of the Investiture of His Royal Highness The Prince of Wales. The filming was done superbly and its projection in Australia has had a profound effect. The interest in the pageantry led viewers to a closer and more deeply patriotic feeling of participation in an event that was part of the tradition of our own nation, and to a very real admiration of His Royal Highness and the way he comported himself.

In this letter I have not commented on current political events in Australia, but hope to be able to write separately on that theme.

I am, With warm regard and good wishes,

Yours sincerely,

PAUL HASLUCK

Lieutenant-Colonel the Right  
Honourable Sir Michael Adeane,  
G.C.V.O., K.C.B.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.





H. M. YACHT BRITANNIA

At sea,

Personal

12th August, 1969.

*Dear Governor General,*

Forgive me for not answering your letter of 24th July sooner but it arrived on the eve of The Queen's departure for Norway. She returns to Scotland today and will, I hope, find there some relaxation for the first time for some months - in fact since she was at Windsor where you and Lady Hasluck visited her. It has been an unusually busy summer, with two State Visits to London, The Queen's own visit to Austria, ten extremely full days in Edinburgh when Her Majesty carried out the duties normally entrusted to a High Commissioner, and The Prince of Wales's Investiture at Caernarvon, as well as the usual ration of audiences, garden parties and Investitures. Nor can one say that there has been an absence of usual Governmental alarms and excursions which naturally tend to increase after a Parliament has passed into its third year. The last few days in Norwegian waters have been extremely interesting and agreeable but I need not tell you that an "unofficial" visit - which was how this was described - does not spare the chief participants very many of the functions which are inescapable from any other visit. However, The Queen seems to be none the worse for all this.

She has much enjoyed reading your letter and is very glad to know that you have already managed to visit all the State Capital cities and that you succeeded in enlarging the circle of guests who came to Government House. She sincerely appreciates the loyal messages which you have received on her behalf as she knows how genuine they are.

All your remarks on the state of opinion in Australia towards The Crown she has read with intense interest knowing, as she does, that they come from someone who has just stayed in all the principal centres of population and who is particularly well fitted to form a judgement of what Australians of all ages are thinking. She will, I know, wish to discuss these matters further with you when she meets you next year.

If I might express a personal view it would be that one of the tendencies most inimical to The Crown or The Crown's Representative in Australia or anywhere else, is that referred to in the second paragraph of page 3 of your letter.

It is only too easy for certain sections of any community, acting from a variety of motives, to try and make loyalty a special preserve. This can do nothing but harm and in its more extreme form can even make The Crown or its wearer appear to be involved with one political party. As you say, Government Houses tend to form "circles" but the best service any Governor can render is to make the circle as wide and as ill defined as possible. You note the general approval given in contemporary Australia to the appointment of a Governor-General who is both an Australian and a civilian, but I wonder whether you would consider that this would apply also to the appointment of State Governors? This is a matter that falls very much within the competence and responsibility of each Premier, but it would be interesting to know, when names are being suggested, what the general opinion might be on this important matter.

I should like, also, to be allowed to make some personal comments on your observations on pages 4 and 5 regarding visible links between The Queen and her Australian Realm. I say personal, advisably, because this is something that I sincerely trust Her Majesty and The Duke of Edinburgh may talk about when they are with you. I feel sure, first of all, that it is advisable for the younger Members of The Royal Family - not only The Queen's children but their cousins - to supplement her visits by coming to Australia as often and as informally as possible. This is a view I have frequently heard expressed by Australians and no doubt it is sound. This would be assisted if, as has been suggested, some sort of residence were to be obtained which might provide a focus for such visits as well as for those by The Queen herself. This has been suggested more than once and from different quarters and the suggestion is one about which, although I do not know Her Majesty's views, I am sure that she has given favourable thoughts. However, I would venture to say that it presents problems which deserve rather definite examination, both in Australia and in London if it is to be carried further. I have in mind such points as: What sort of residence would be most useful and where should it be situated? To what extent would the Australian Government be involved? Should it be thought of as an agricultural estate - which would imply that it ought to be a sound investment - or as some comparatively small house which would serve as a holiday retreat or as a base on which to plan tours and visits? If The Queen were able to buy something herself (and here I speak without knowledge of the financial possibilities which are not in my hands) how would it be staffed and how would the running expenses be met? Would it be wise to plan on it being available for use by others (e.g. the Governor-General) in the absence of any Member of

The Royal Family ? Under whose authority would it be administered at such times ? What about Police protection and communications ? I do not ask these hypothetical questions in order to make difficulties but because, knowing from experience how much more effort and expense is involved even in Britain in giving practical effect to any Royal move than anyone is inclined to imagine, I believe that the most likely way to make a success of anything of this sort is to define first of all exactly what is to be aimed at and then to discover any special problems there are to be considered and overcome. By special problems I mean those which would attach to The Sovereign becoming the owner of any real property in Australia but which might not be any great bother to anyone else provided they had enough money.

Please forgive the interminable length of this letter but I really do believe that if some preparatory thought could be given to the kind of matters I have suggested before The Queen reaches Canberra in April, there might be some possibility of an advance. I realize of course that some of the points I have suggested can only be answered at this end and then by The Queen and The Duke of Edinburgh themselves; but this does not apply to them all. Moreover, there certainly may be other problems of a practical nature that would suggest themselves in Australia and which I have not thought of; these could well be examined.

To return to more immediate matters. The points which you make on page 5 about television and Public Relations generally certainly will not be lost sight of and, indeed, has already been discussed with General Pollard, whose visit to London was most welcome and timely and with whom useful progress on the 1970 programme was made. The Queen also was very glad to have the opportunity of meeting the General and Lady Pollard and is grateful that they were allowed to come here.

Finally I must tell you how delighted The Queen was to read your account of the reception of the film of The Prince of Wales's Investiture. This event, which many here faced with some misgivings, turned out to be a brilliant success and this was due not least to The Prince's own efforts.

*With kindest regards  
James Watson  
Michael Cookson*

His Excellency the Governor-General  
of Australia.

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Government House,  
Canberra. 2600.

3rd September, 1969.

CONFIDENTIAL

After a period of speculation in the press, the Prime Minister has proposed that an election for the House of Representatives be held on Saturday, 25th October, and that Parliament should be prorogued on 26th September. As these dates are reasonably close to the period when the three-year Parliament would expire, there will be no difficulty for me in accepting the recommendations to this effect which will be made in due course in keeping with the requirements of the Constitution.

There will be elections for two Senate vacancies - one in South Australia and one in Victoria - on the same day to fill the exceptional vacancies which were filled temporarily under Section 15 of the Constitution following the death of Senator K.A. Laught and the resignation from the Senate of Mr. Gorton. I have written to the Governors of the respective States asking them to accept the same dates for the Senate election as the election for the House of Representatives (Section 12 of the Constitution) and they have indicated that they will do so.

The Prime Minister told me some time ago that he was hoping to have an election even earlier; but he had to face the practical necessity of bringing down the Budget and passing the accompanying legislation.

One of the major reasons for this hope for an even earlier election was concern over the prospective problems of marketing the wheat crop to be harvested towards the end of this year. When marketing difficulties were foreseen earlier in the year, a scheme was devised under which the Australian Wheat Board undertook to receive all wheat up to an allotted quota. Many farmers, however, sowed crops in excess of the quota and in some of the States a good season is lifting the yield, so

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that there will be a considerable surplus of grain above the quota, and those who have grown it will blame the government if it is not sold. Paradoxically, the possibility that the season may not be as good as usual in Western Australia is being seen in some quarters at least as an intervention by Providence to lessen the problems of marketing. Meanwhile, prices of grain have also been weakening and there are indications that by December, January and February next, wheat may become a critical political issue because of low prices, a surplus that cannot be sold and inadequate storage in some parts of the continent to hold the unsold grain. There are at least twenty electorates in which wheat is a direct issue and possibly ten in which it could become the major issue in an election.

If the Prime Minister could have managed a date earlier than 25th October, I think he would have done so. He has chosen the earliest practicable day.

The forecasting of election results is a chancy business for anyone and a foolish undertaking for the Governor-General.

The Labour Party will go into this election in better shape than when it faced the 1966 election. It emerged from its recent Federal party conference with the appearance of unity and of having a clearer view on policy objectives. One of Labour's biggest tasks if it hopes to win seats will be to continue to give the public appearance of unity and purpose. There are still underlying strains that may reveal themselves.

Another task in winning votes will be to build public confidence in Mr. Whitlam by showing that he has the full confidence of his party. I think that Mr. Whitlam's reputation has grown and he has certainly been very active in many parts of Australia and in support of many causes in seeking to commend himself to the people. I doubt, however, whether he has yet become a popular figure and he may have given a picture of himself as a lively and able politician rather than as the leader of a nation.

The Government parties and the Prime Minister may have suffered some damage from a variety of incidents, most of which are being

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given some prominence in the press. For example, Mr. Gorton has been criticised by State Premiers as a "centralist" in the perennial arguments about Federal-State relations; one of his former supporters, Mr. St. John, M.P., has publicly criticised his personal conduct and a less reputable critic, a journalist named Newton, has done the same; there are allegations of discontent in the senior ranks of the public service over his somewhat untidy method of working; he has said some things rather clumsily and they are quoted against him as self-contradictory. It is impossible to judge what effect this has had, although one notes it as an element that was not present when two previous Prime Ministers faced elections. My own impression is that the Prime Minister may have gained more than he may have lost by appearing to be a more lively, more interesting and less orthodox character than his predecessors. My impression is that he stands more firmly in public regard today than he did shortly after taking office, and that he is possibly a more popular figure than the Leader of the Opposition because he gives an impression of being rougher, tougher and more adventurous. There are more stories being told about Gorton than about Whitlam. By and large the press has been kind to Mr. Gorton.

One difficulty in commenting on the coming election is that it is not clear at this moment whether the central issue will be foreign policy and defence (centred on the Labour Party's declared intention to withdraw Australian troops from Vietnam) or social questions (such as health services, education and social service benefits). Neither the Government nor the Opposition seems to be clear yet on how it will fight the campaign. Both have prepared rather elaborately for an election on the social questions - the Government by the benefits it distributed in the Budget (including higher pensions and more liberal terms for granting them, health benefits and education grants, including further support for the independent denominational schools) while the Labour Party has presented schemes for doing more but has exposed itself to Government challenges to prove that the cost of these promises will be manageable. If this is the campaign issue, the choice of the voter will be between those who have done something and those who promise a bit more.

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On foreign affairs and defence the Government faces the possible complication of the demands of the Democratic Labour Party that it should do more in defence and that it should maintain a strongly anti-communist line in foreign policy. A recent statement by the Minister for External Affairs, which really said no more than that, on certain issues, the Soviet Union in serving its own interests might follow a line which was not in conflict with Australian interests, was distorted by sections of the press and by the D.L.P. as a pro-Russian policy, but other newspapers have commended the statement for its realism. In any case, the D.L.P. can scarcely punish the Government for not opposing communism strongly enough by voting for an Opposition which, in the D.L.P.'s own view, is controlled by communists. My own impression is that, in criticising the Government at this stage of the campaign, the main purpose of the D.L.P. is to establish its own identity in the public eye and to try to gain more primary votes for itself, but that its preferences will not go to Labour.

While the Government can count on support from its followers on foreign policy and defence, this is the major issue over which Labour Party supporters are divided. It will be hard for Mr. Whitlam to criticise the Government for "not doing enough" without antagonising the Left Wing of his own party, and if he criticises it for "doing the wrong thing" he will have equal difficulty in defining what he means by the "right thing" in terms which will win him votes and also satisfy his Left Wing. If foreign affairs is the issue, the Opposition campaigning will have to be destructive.

At present, most commentators and observers expect the Gorton Government to be returned but with the loss of some seats. Many of the electorates will have new boundaries, following the work of Redistribution Commissions, and direct comparisons, seat-by-seat with the results in 1966 are not possible. The general opinion is that the redistribution does not favour one party unduly above another, but some of the seats, including traditional Labour seats which the Holt Government won by small majorities at the last election, have become more difficult for the Liberal Party to hold. With a very small reduction

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in its percentage of votes the Government might lose six or seven seats. At present they have a total of 80 seats in a House of 124, and would have to lose over 18 seats to lose government.

Whatever the result of the election may be, the formation of a new Ministry - either a Labour Ministry or a Liberal/Country Party Ministry - will set the leaders difficult problems. There is not a single member of the Labour Party except Mr. Calwell (now in semi-retirement) who has had any previous Ministerial experience, and some of those who will be strong candidates for election by Caucus as Ministers have other disadvantages while, apart from the top few, the qualifications of others are of the kind usually described as unsuspected talents. On the Government side it might fairly be said that not all those who have experience can claim it as a qualification for continued office. Since he became Prime Minister, Mr. Gorton has made five new appointments at the bottom end of his Ministry but, with one possible exception, they have not been a notable success and some of those whom he inherited from previous Ministries are showing the toll of years. The Minister for Defence, Mr. Fairhall, will not contest the election - a decision for which he had prepared himself a considerable time ago and not one, as the press have suggested, which arose recently or was due to any disagreement with Mr. Gorton. It will be interesting to see whether a victorious Mr. Gorton widens the opportunity that Mr. Fairhall's resignation has given him for reconstructing his Ministry by dropping some of the other older Ministers without their acquiescence.

To give himself a stronger Ministry he would have to do considerable reconstruction, but I do not know whether he will be able to do so. Although I can rely only on rumour, there is already a fringe of discontent in the Liberal Party, and, if he were to be returned with a heavily-reduced majority he might have a real problem of keeping his members happy, and there are some ready-made detractors to make use of any appearance of failure on his part.

After the election, whatever the result, there may well be a transitional period before a new Ministry settles down to efficient and stable administration.

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If the Opposition were to win the election and a Labour Government were to be formed, my prediction would be that the struggle between the Left and the Right wings of the party would intensify, first in the contest in the Caucus over the election of Ministers - the Labour Party does not allow a Prime Minister to choose his Ministers - and then inside the Ministry itself. Mr. Whitlam as Prime Minister would face immense difficulties inside his own Cabinet and party room.

You will appreciate that the remarks in this letter, while made in good faith, are limited by my own opportunities for obtaining information when holding an office that is above politics. Such as they are, I trust they will be of some help to Her Majesty in following Australian events in the next seven weeks.

Lieutenant-Colonel the Right  
Honourable Sir Michael Adeane,  
G.C.B., G.C.V.O.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON, S.W.1. ENGLAND.

OFFICIAL SECRETARY

12 SEP 1969

TO GOVERNOR-GENERAL



BALMORAL CASTLE

6th September, 1969.

*Dear Governor General*

Thank you for your letter of 2nd September about the visit of The Duke and Duchess of Kent to Australia. The Queen who has read it is delighted to know that it went so well and that they got such a good reception in Canberra and in the other places in Papua and New Guinea, The Northern Territory, South Australia and Western Australia that were included in their tour.

I know that Their Royal Highnesses, for their part, enjoyed it all very much, because they have written to tell The Queen so, and particularly their time with you and Lady Hasluck at Government House.

*Yours sincerely  
Michael Adams*

His Excellency  
the Governor-General of Australia.



BALMORAL CASTLE

CONFIDENTIAL

10th September, 1969.

*Dear Governor General:*

Thank you for your letter of 3rd September. The Queen has seen in the papers that a date had been proposed for the Prorogation of Parliament and she is naturally much interested to read your account of the circumstances in which the election is to take place. I must admit that I had always thought that under the Triennial system dissolutions of Parliament and the resulting General Election always took place at regular intervals which were seldom if ever interfered with unless some major crisis took place; but I see that I am wrong. This must present certain complications in view of the arrangements which are no doubt necessary in the States.

The Queen has of course met Mr. Whitlam both in Australia and when he has visited London and she would, I think, agree with your verdict that his attractions are those of a lively and able politician rather than those of a national leader; however it remains to be seen what the voters will think. So far as the Prime Minister is concerned it is difficult, at any rate here, to believe that he will have lost greatly through the personal attacks which have been made on him and which at their worst did not appear to have great weight. One can think of examples in the past in this country when such attacks have done more harm to the attackers than the attacked especially when both belong to the same political party.

The Queen particularly notes that whatever the results of the election may be, we are likely to see a Government with a somewhat new look and that there may well be a period before it is able to settle down to sound administration.

You have also taught me that the Labour Party in Australia does not allow a Prime Minister to choose his own Ministers. This one would have thought would have some appalling results though after first coming into office it must save the Prime Minister many difficult and anxious decisions.

In these islands the troubles in Northern Ireland have made the weeks of August and September recess anxious ones for the Government and for everyone else. The trouble there is deep seated and serious and like so many things in Irish history apparently insoluble. Many Englishmen like to think that these Irish differences were finally buried forty years ago, but it was not so. The Government of Northern Ireland itself is now faced with religious and political problems which any outside observer might think hardly belong to the contemporary world, but they are unfortunately only too real and have already caused much violence and have forced the Westminster Government to intervene and to make use of the troops stationed in Ulster to reinforce the Royal Ulster Constabulary in the maintenance of law and order. It is not easy to see how this will end or how the soldiers will be disengaged and one wonders whether the existing constitutional arrangements between London and Belfast which have answered well enough since they were first established will stand the strain which is now being put upon them.

Apart from this - and it is a large exception - there have been fairly peaceful weeks though the Government found that their record did not provoke any rapture from the T.U.C. Annual Conference. Although some people were inclined, earlier in the year, to forecast a possible General Election this autumn there is not at present the least sign that the Prime Minister is likely to ask for a dissolution; nor with some slight improvement in the economy is there any reason why he should be tempted to do so.

*James M. ...  
Michael Adams*

His Excellency  
the Governor-General of Australia.

Government House,  
Canberra. 2600.

29th October, 1969.

PERSONAL AND CONFIDENTIAL

A general election for the House of Representatives was held on 25th October and resulted in a heavy loss of seats by the Gorton Government. In several electorates the contest was so close that the result for these seats will not be known until after the second preference votes of the weaker candidates have been distributed. This distribution of preferences will not take place in the doubtful seats until all primary votes have been received, including the postal votes and absentee votes (those cast by electors who were absent from the electorate on polling day). Hence it will be more than a week before the final results are known. I thought, however, that I should make an early report for the information of Her Majesty as a background to the steps now to be taken to form a new government.

The position (at the time of writing) is that the Government has won, or is likely to win, 62 seats; the Opposition has won 56 seats; and seven seats are doubtful. It is not impossible that the Opposition might win all seven doubtful seats and be able to claim office; but it is more likely that the Government will be returned with a majority of three, four or five. It is doubtful if the Government could have a majority of more than six. Before the election it had a majority of 38.

No Australian Government has suffered so great a loss of favour in so short a period. Mr. Gorton took office, inheriting the majority won by Mr. Holt, a little less than two years ago and was favourably received by the public.

What makes the result of the election more remarkable is that the swing took place in a time of affluence, high employment and

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(apart from the difficulties of marketing wheat) no adverse economic prospects. Furthermore, there has been no exceptional political crisis centred on a major issue affecting the whole nation.

The uniformity of the swing against the Government discounts any suggestion that local issues or a loss of favour by State Governments in their respective States may have had repercussions on the Federal poll. It may be noted, however, that in South Australia (where the loss of seats was heavy) the success of non-Labour parties in the 1966 Federal election occurred at a time when the State Labour Government was in disfavour but in 1969 that element had disappeared. In Western Australia considerable local dissatisfaction over prices of land, cost of housing and failure to provide sewerage and other services may have produced a climate in which the Federal Labour Party's policies on home building would have a highly receptive audience.

In spite of some comments I made in an earlier despatch, the issue of wheat marketing does not appear to have had a widespread effect, partly because a reduced wheat crop due to seasonal conditions is likely to lessen the size of the problem, but this may still have affected some votes in rural areas. Broadly speaking, however, the Government parties have held most wheat-growing electorates, possible exceptions being Riverina and Hume in New South Wales. As the Country Party suffered less at the election than the Liberal Party I am inclined to dismiss rural issues as a major factor in the change.

My opinion is that the cause of the swing against the Government has to be sought in causes other than an accumulation of local or sectional discontent. The loss of confidence in the Gorton Government was nationwide.

At this point in my reporting on the election, it might be helpful if I were to interpose some comments I wrote for myself on the campaign. For many years past it has been my habit to make a private assessment of each

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election campaign on the day before the poll takes place. I have done this so that my assessment of the campaign might not be affected by the results of the voting and turn into an explanation of the outcome rather than a description of the campaigning. This year, on the day before polling day, I wrote the following private assessment of the campaign, basing it on my own observations during the previous three weeks:-

"The Labour Party has conducted a more effective campaign than the Government parties. Mr. Whitlam started a week earlier than Mr. Gorton; he kept the lines of campaigning clear and unconfused; and he was more positive on domestic policy. A lack of cogency and realism in foreign policy and defence (as viewed by me from my own experience) was balanced by the fact that Labour stated their policy in a way that was just as plausible to the uninformed voter as the way in which the Government presented its foreign policy and defence policy. Although most serious commentators and editorial comment criticised the Labour Party's ideas, the Opposition may well have given to the generality of voters the impression that they were just as concerned about Australia's interests as the Government and were likely to be more efficient about defence than the Government had been.

"Broadly speaking, Labour made its major appeal on domestic policy and the Government made its main appeal on foreign policy and defence but, whatever the result of the voting may be, I would find it difficult to accept a vote for Labour as showing greater popular interest in domestic welfare and a vote for the Government as showing greater popular interest in matters of high policy. In some parts of his campaigning, Mr. Gorton seems desperately to have tried to make



this contrast but he weakened his own case by parallel efforts to outbid Mr. Whitlam on domestic benefits. Labour has been general enough in its statements to avoid giving a major scare to the Australian people about the state of national security under a Labour Government and, on the other hand, the Government incurred as many losses as gains when it talked of defence and foreign policy because of the criticisms made of it on particular matters (such as non-delivery of the F111 aircraft, relationships with Malaysia, attitudes to the Soviet Union, and Mr. Gorton's alleged blunders in diplomacy). In the early part of the campaign the Democratic Labour Party spent a lot of time criticising the Government on defence and foreign policy and, although in the end this party said it preferred the Government to the Opposition, its criticisms (some of which were applied directly and personally to the Prime Minister) probably have had more effect on the uncommitted voter than their eventual support has had.

"Mr. Gorton seemed uncertain at the beginning of the campaign whether to concentrate on one issue or another. When, in the closing week of the campaign, he stressed foreign policy and defence it seemed that, while making strongly the argument that Labour policies were dangerous for Australia, he was not very persuasive (indeed almost neglected to argue) that his own policies were right. On the question of bringing home Australian troops from Vietnam, the Government made strongly the point that Australia had never abandoned her Allies or adopted "a policy of scuttle", but it may be that the effect of that call has been blunted by newspaper speculation that the Americans may be planning to go home themselves.

"Mr. Gorton started his campaign late and started over-confidently. The Government were given a shock by the results of a Gallup poll taken after Mr. Whitlam's policy speech (revealing a swing to Labour) and of a popularity poll taken in the same week on a different system (revealing a decline in Mr. Gorton's personal popularity). Then they started to scramble and consequently, in the course of the campaign, some reassurances given on important matters had the appearance of being extracted from Government spokesmen by questioning or as having been produced in order to match Labour.

"In the last two weeks, the Government campaign had the appearance of a desperate attempt at recovery with the aid of extra public relations men and new public relations gimmicks.

"Mr. Whitlam personally conducted a better campaign than Mr. Gorton and gave an impression of better poise and better humour than the Prime Minister, although I doubt whether he made himself fully trusted even by those whom he attracted. Mr. Whitlam has the advantage, when he controls his tongue, of being able to use a clear and pleasant prose whereas Mr. Gorton wraps up his views in misplaced words and redundant phrases that add to the impression that he dodges straight questions.

"The Prime Minister had apparently decided to use television more than the platform. In my view his advisers made two basic mistakes. They rehearsed him too much and groomed him too much and he became uninteresting. They also used too often the device of dialogue, with the result that at times it looked as though his views were being extracted from him (not given) and it also seemed that instead of giving electors the feeling that he was talking to them, they were put in the position of watching him talk to someone else.

"The media of public communication were reasonably fair in the amount of attention they gave to the main parties, although possibly the Government received some benefit from the newspapers. The Sydney "Daily Telegraph" was unmistakably partisan in its presentation of the news in a way wholly favourable to the Government and, indeed, a comparison of various reports in various newspapers, left me with the impression that the chief political writer of the "Telegraph" had been instructed to re-write the news so as to cover up any mistakes made by the Government spokesmen. Editorially, the more influential newspapers favoured the Government and, on foreign policy and defence, the "Sydney Morning Herald" presented the Government's case far more persuasively than the Prime Minister did. All of the papers were kind to Mr. Gorton in minimising or ignoring non-political matters which might have been reported to his disadvantage.

"There were some elements in the campaign the effects of which can only be guessed at but if, as I expect, there will be a considerable loss of votes by the Government parties, a very large part of the reason for the change will be a public loss of respect for and trust in Mr. Gorton. Moreover, for the first time in the past twenty years, the Liberal Party gives the public appearance of division whereas, by a miracle of self-restraint, the Labour Party has kept the appearance of unity and brotherhood throughout. I doubt whether the uncommitted voters have moved to embrace Labour but I see some signs that they may be moving to reject the Liberals.

"At the end of the campaign I am struck by the oddity of the fact that the Liberal Party has spent a lot of its time trying to prove that Mr. Gorton

is not really like Mr. Gorton at all, while on the other hand, Mr. Whitlam has been doing his utmost to prove that the Labour Party is not really like the Labour Party. One has the feeling that both contestants are trying to hide their liabilities as much as they are displaying their assets."

Now that the results are becoming known, I would not wish to qualify or alter any part of that assessment of the campaign. I have asked myself, however, whether the results of the election can be interpreted as a clear expression of opinion on any single great question. I doubt whether such an interpretation can be fairly made. First, I can see no great economic issue at stake. Indeed if economic conditions were in voters' minds that would have favoured the Government. In the closing week of the campaign, when the prospect of a Labour Party victory began to appear, remarks made to me by persons associated with industry, the stock exchange and commerce indicated that a good deal of support was rallying to Mr. Gorton, even from those critical of him, because of concern lest a change of government might upset the economy. Second, in matters of social change and promises of social benefits, I had the impression that, although the Labour Party may have attracted some support by its policies on housing and the Government may have lost some support over the way its medical benefits scheme was presented, both sides had made comparable promises of good things to come. If there were an issue here, I think it would have been mainly whether this party or that party would be more likely to keep its promises and show more capability in putting them into effect. The customary answer to the Opposition bid - "Where will the money come from?" - fell lame because the Government was also running up a big bill of promises and making much of the buoyancy of the economy. Third, I find it hard to convince myself that the electors were voting for a withdrawal of Australian troops from Vietnam or from the mainland of Asia and I think it would be rash of the Labour Party to claim that their increased vote meant an endorsement of their very generalised and somewhat unrealistic observations on foreign affairs. What they might claim with greater truth

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is that the increased Labour vote showed that fewer voters were scared that Labour would act carelessly or irresponsibly in matters of high policy. If indeed the voters were pronouncing on foreign affairs and defence they were pronouncing on an issue that was ill-defined and badly presented and I would hesitate to draw from the poll any inferences about what the majority of Australians think on foreign affairs.

(In any case, those who have read political history will be cautious about ascribing to general elections basic decisions on high policy, for in these matters it is the role of responsible governments to persuade but not to follow the lead of the electorate.)

What was significant about this election seems to me to have been not the expression of any new opinion on major issues but the lack of an endorsement of the Government. Indeed, the difficulties that I foresee in the future arise from my view that no major questions affecting the economy and national policies have been clarified in any way by this election. The results leave the political mood of the country less clear than it was. Neither Government nor Opposition can claim that a policy has been firmly approved. The clearest fact that emerges is that the Government and particularly the Prime Minister and the Liberal Party have lost a great deal of the confidence of the people.

When I try to explain this fall in confidence, the clearest impression I have is that many people do not like the way Mr. Gorton governs - not so much what he does but the way he does it. One significant poll was that in the Australian Capital Territory, where a heavily-increased vote for the Labour member can only be interpreted as disapproval in what is largely a public service city of the way the Government has gone about its work.

So far as I can judge the matter, the big change of votes was a rebuke to Mr. Gorton more than anything else. Assuming that he returns to office - and the present signs are that he will - one unanswered question is whether he will be chastened by his experience and from that chastening emerge as a better Prime Minister.

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I have written this despatch promptly in order to remove the need for any further discussion of the election campaign and to leave the way open to inform Her Majesty in another despatch on the final results of the voting and of events associated with the formation of a new Government. You will also appreciate that I have written this despatch with complete frankness and in the confidence that it will be for the eyes of Her Majesty and yourself alone.

*3/11.*

Lieutenant-Colonel the Right  
 Honourable Sir Michael Adeane,  
 G.C.B., G.C.V.O.,  
 Private Secretary to Her Majesty  
 The Queen,  
 Buckingham Palace,  
LONDON. S.W.1. ENGLAND.



BUCKINGHAM PALACE

Personal and  
Confidential

3rd November, 1969.

*Dear Governor-General,*

This is just to acknowledge and thank you for your letter of 29th October which I have given to The Queen and the contents of which, I can assure you, will remain confidential.

*Yours sincerely,  
Michael Ashcroft*

His Excellency the Governor-General  
of Australia.

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Government House,  
Canberra. 2600.

17th November, 1969.

PERSONAL AND CONFIDENTIAL

As reported both by telegram and by letter, a new Gorton Ministry was sworn in by me on Wednesday, 12th November. May I now add, for the information of Her Majesty, some further account of the events leading to the formation of this Ministry.

The final result of the election, held on 25th October, was not known until 5th November. Several seats were in doubt until the preference votes of the minor candidates had been distributed and this distribution could not commence until the Chief Electoral Officer had decided that the number of ballot papers outstanding (for example from voters who lodged votes outside Australia) could not affect the result.

The outcome was that the Liberal Party had 46 seats (59 in the previous Parliament), the Country Party 20 (21) and the Labour Party 59 (42). Two Independents were not returned, one through retirement and one by defeat.

A Liberal/Country Party coalition will have 66 seats and the Opposition 59 in the House. Thus, after the election of Speaker, the new Government will have a majority of six on the floor.

In the Senate, where one unusual vacancy, due to death, has still to be filled, the Coalition is expected to have 27 seats, the Labour Party 28, the Democratic Labour Party 4 and the Australia Party (a new fringe party formed under the leadership of a Senator who was formerly an Independent) 1. The Government will depend on the support of the Democratic Labour Party.

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The Government was lucky to have survived. In a number of the seats which it won, a few hundred votes the other way or a smaller percentage of the preference votes could have given the seat to Labour. 28 of the Government seats were only won after the distribution of preferences, or, to put it another way, the Labour Party won 56 of its seats outright on the primary vote and the Government Party only won 38 seats outright.

Although the Democratic Labour Party polled a smaller percentage of the total vote than in any election since 1958 (1958: 9.41 per cent; 1969: 5.84 per cent), the circumstances of this election gave it better grounds than ever for claiming that the Government owes its existence to D.L.P. preferences. In my judgment the D.L.P. will not be modest in the political use it makes of this fact.

As I indicated in my despatch of 29th October, the results of the election were largely a verdict on Mr. Gorton. Consequently in the post-election period attention centred on Mr. Gorton to an unusual degree. Would there be any attempt to replace him as leader? Would he be able to regain support in the electorate and reanimate his party?

For a time it seemed that the Liberal Party would not risk an internal conflict at this stage, although some members were reported to be discontented. A contest for leadership was precipitated when the Minister for National Development, Mr. Fairbairn, after an interview in Canberra with Mr. Gorton, said that he was not willing to serve under him any longer. In a long press statement justifying this step, Mr. Fairbairn said in effect that, in his attempt to discuss the future with Mr. Gorton, he found that the Prime Minister had learnt no lesson from the reverses of the election nor shown any disposition to correct his errors. Mr. Fairbairn made special reference to the unfortunate state of relations between the Federal and State Governments, even although at present they are all of the same political complexion.

After Mr. Fairbairn had knocked down the gate, the Treasurer, Mr. McMahon, came

cantering in with his head high as a candidate for the leadership of the Liberal Party and hence for the Prime Ministership.

In press statements both Mr. Fairbairn and Mr. McMahon denied that they had consulted each other and I would believe that they acted independently. Later Mr. Fairbairn also announced himself as a candidate for the leadership. In my knowledge of him, Mr. Fairbairn is an honourable and straight-dealing man with a strong sense of public duty and I would accept any statement he made as true. He has little liking for, or capacity in, political intrigue. He has an oarsman's idea of all pulling together. His own dislike of the Gorton method and the prompting of a devoted and ambitious wife, who loves talking about politics, probably account fully for his actions.

Mr. McMahon was a different sort of rival. Of his characteristics I will say something later. After Mr. Holt's death he had hoped, as Deputy Leader of the Liberal Party, to succeed to the Prime Ministership. That hope was blocked when it became known that Mr. McEwen, Leader of the Country Party, would not serve in a coalition with him for the simple reason that Mr. McEwen did not trust him and, in my own knowledge of events, had good reason for not trusting him.

On the present occasion, however, it became known that Mr. McEwen would not maintain his veto and Mr. McMahon's hopes rose high. He became the fancied candidate of several of the newspaper commentators. I heard confident predictions from many high places that he "had the numbers".

The creation of a situation more favourable to Mr. McMahon by the lapsing of Mr. McEwen's veto would appear to have been produced because Mr. McEwen, in his early post-election conversation with Mr. Gorton, had found the Prime Minister to be unresponsive. The final version I had from the Prime Minister himself, concerning his attitude, was that, until both he and Mr. McEwen had been re-elected leaders of their respective parties, they had no authority to work out the terms of a coalition. In the end, Mr. McEwen did not dispute the rightness of this attitude.

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Whatever may have passed between Mr. Gorton and Mr. McEwen, I preferred myself to think that the Country Party Leader, who is a seasoned and hard-headed political leader, had made a cool estimate that there was a chance that the Liberal Party might reject Gorton and choose McMahon; and, consequently, Mr. McEwen did not wish to get himself or his party into an impossible situation. Moreover, as a political leader, he would have to consider whether the national interest would be better served by a coalition with Mr. McMahon or by letting Labour take the Government.

Undoubtedly there might have been a smoother transition, with possibly no contest for leadership of the Liberal Party, if Mr. Gorton had been able to dissimulate, first to Mr. Fairbairn and then to Mr. McEwen. The fact that he did not dissimulate may have been due to a certain awkwardness in his character - a sort of rugged attempt to be a "dinkum" combined with a disposition to "stand up to people" or "tell them where they get off" (two phrases he often uses). The bluntness that sometimes offends is seen by him as being honest. Yet, at the same time, I would not rule out entirely the possibility that there was a preference on his own part for having a show-down, based on confidence that he would win, and a belief that he could maintain his leadership best if he forced the issue. If he had wished, I think he could have retained his leadership, temporarily at least, without a contest in the party room. I never saw any sign, however, that he regretted the fact that he was to have an open contest with Mr. McMahon.

In the event, Mr. Gorton won the party-room ballot and he was openly glad at being confirmed in office in that way. He had also put himself in a better position to talk with Mr. McEwen, whereas Mr. McMahon, if he had won the leadership, would have found himself obligated - and possibly committed - to Mr. McEwen.

In the outcome Mr. McEwen had someone with whom he was much happier to work in coalition than would have been the case if Mr. McMahon had won.

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After both Mr. Gorton and Mr. McEwen had been re-elected by their respective parties they apparently had little difficulty in agreeing on the terms of the coalition. The Country Party gained the right to have a fourth Minister, Mr. Nixon, to sit in Cabinet. The number of Cabinet was raised to thirteen - an omen on which no-one has commented - until Mr. McEwen retires in about a year's time, when Mr. Nixon will become the twelfth man. There was also an understanding about fuller consultation on major policy and fuller use of Cabinet.

A major difficulty for the Prime Minister and his new Ministry is set by the fact that the Liberal Party, as well as re-electing Mr. Gorton as Leader, re-elected Mr. McMahon as Deputy Leader. Mr. Gorton, in constructing his Ministry, could not reduce Mr. McMahon in seniority but he moved him from the Treasury to the Department of External Affairs. It may prove to be an unwise move but the simple reason was that Mr. Gorton does not trust Mr. McMahon to be loyal to him, to speak the truth to him, or to refrain from misrepresentation in order to advance his own ideas or to block those of the Government if he does not agree with them; and the Prime Minister thinks that the harm Mr. McMahon would do to him in the Treasury would be greater than the harm he expects him to do to him in External Affairs.

It is not for me to find fault with the character of any of Her Majesty's advisers but this situation is so much part of the dangers and difficulties in the Australian Government today that I feel bound to report as a fact that Mr. McMahon is not trusted by Mr. Gorton or by Mr. McEwen and in the past was not trusted either by Sir Robert Menzies or by Mr. Holt. I would not trust his word myself.

Before the final decision was made I advised Mr. Gorton to weigh the disadvantages as well as the advantages of removing Mr. McMahon from the Treasury but he was determined to make the move.

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I would expect that in the coming months Mr. McMahon will continue to work to advance his own ambitions and that his methods in the future as in the past will include a highly selective misrepresentation of the party leaders to whom he is rival, and an attempt to gather support to himself by making promises to the discontented.

One of Mr. Gorton's greatest difficulties will be to overcome factionalism and discontent in his own party and to re-unify it. At the moment he has great confidence but I wish that I could be sure that he does not under-estimate the discontent and I wish that he himself showed clearer signs of having learnt something useful from these recent experiences.

In forming his new Ministry, Mr. Gorton had vacancies due to the retirement of Mr. Fairhall (former Minister for Defence), the refusal to serve by Mr. Fairbairn (former Minister for National Development), and the defeat at the polls of Mr. Freeth (Minister for External Affairs). He also dropped three junior Ministers - Kelly (Navy), Scott (Customs) and Erwin (Air). None of the three had shown Ministerial promise, although Kelly was certainly no worse than some who have been retained. Scott and Erwin were given their chance in the Ministry nearly two years ago as a reward for their part in organising the campaign in the party room to secure the election of Mr. Gorton in succession to Mr. Holt. They were then party Whips and used their office rather improperly to round up the newer members to vote for Mr. Gorton. Scott, an oafish man, had no qualification of any kind for office, and Erwin, who is somewhat busier and a little brighter, though prone to lapses into silliness, had scant political experience. Given their chance, they both failed.

Since being dropped, however, Erwin has come out in public with allegations hurtful to the Prime Minister. Most commentators have seen this as further proof of Mr. Erwin's unfitness for office, but what he said, added

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to what others have alleged, will do some damage to the public reputation of the Prime Minister. One statement that Erwin made implied that the Prime Minister was influenced unduly by his private secretary - a bumptious little hussy of twenty-three who formerly worked for Erwin.

The newcomers to the Ministry are all untried. I should not lengthen unduly this despatch by attempting any assessment, for that might come better when they have been at work for a few months. My modest estimate at this stage is that any two of them will be more competent than Scott and Erwin. Among the more senior men, the changes in portfolio in some cases will be a gain to the Government. The new Minister for Defence (Fraser) may prove to be stronger than his predecessor and clearly has a better mind, though less experienced than Mr. Fairhall was. The new Minister for Labour and National Service (Snedden, formerly in Immigration) may be better in that portfolio than his predecessor (Bury, who has become Treasurer). Bowen (formerly Attorney-General) will be an acquisition to Cabinet, and should do at least as well as his predecessor in Education and Science (Fraser) although it is regrettable to my mind that he could not continue as Attorney-General. There will be no gain in National Development, where Fairbairn will be succeeded by Swartz, a worthy man and an assiduous worker who has a wonderful record of never having let the side down but without scoring a single run. Most of the other senior men keep their old portfolios. One question is how Bury will do at Treasury. He was at one time a Treasury officer and also served on the International Bank, so he is equipped with knowledge of the field. Listening to him present a case, I have observed in the past that he keeps circling his subject without rising in a spiral. It will have to be seen whether a lack of crispness, directness and decisiveness is a shortcoming in the Treasury. I have an inkling that the Prime Minister may wish to become half a Treasurer himself.

The other great doubt concerns Mr. McMahon in External Affairs. He has great industry and quickness of mind and already has

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some familiarity with part of the field. He could do well in it. The question in my mind is whether, in troubled times, he could be relied on for clear, complete and exact advice to the Prime Minister and to Cabinet, uncomplicated by his own stratagems. There could be many critical situations in world affairs in the coming months in which Cabinet, which is not well-instructed in foreign affairs, will be in sore need of such advice. I also fear the prospect of some collisions in Cabinet between the Prime Minister and Mr. McMahon on foreign affairs in circumstances which may give opportunity for Mr. McMahon to appear in the newspapers as the hero and Mr. Gorton to be depicted as the dragon.

In this field, one strength for the Prime Minister may prove to be the appointment of Mr. Fraser to Defence. Any hope he may have in this direction may be increased by the announcement that the Secretary of the Department of Defence, Sir Harry Bland, intends to retire from the public service at the age of sixty.

Until this announcement was made I had foreseen some prospect of a tussle in Defence between the departmental head and the new Minister. For some time I have been worried by my observation of the way in which Sir Harry Bland was interpreting his duties. A determined, wilful, tireless and somewhat devious man, whose previous experience had been wholly in the troubled field of industrial relations as Secretary of the Department of Labour, he brought to his new office energy and ambition, while his very great ignorance of defence and foreign affairs was aggravated by a tendency to apply to foreign statesmen and other governments the methods he had learnt over many years in back-stage plotting with trade union secretaries. His former Minister, Mr. Fairhall, did not have either the brain power or the industry to keep up with him; and Bland, who had plenty of both, had made a good deal of a mess by trying to do himself the jobs of Chairman of the Chiefs of Staff Committee, the three service departments, the External Affairs Department and, occasionally, that of the Prime Minister. The Chiefs of Staff and the Secretary of External Affairs had found it very difficult to work with him and, by not using the machinery

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of the Defence Committee, Bland lessened their opportunities of correcting him. I could foresee that Fraser, whom I know to be intelligent and who is reputed to be strong, would try to confine Bland to his place and that the Prime Minister would unavoidably become involved in the contest; and the opportunities for a contest between Mr. Gorton and Mr. McMahon would be increased, again in circumstances in which the press could well represent Bland and McMahon as the deliverers from evil instead of the muckers of the byre. This risk is lessened if Bland is to leave in March.

I have some forebodings about the future of the Gorton Ministry. As I have said it has a majority of six on the floor. I need the fingers of both hands to count those members of the Liberal Party who have expressed at different times strong personal criticism of Mr. Gorton or who have been disappointed in their hopes to obtain promises of preferment from him. There is an unknown number - not, I think at this moment, very large - who are supporters of Mr. McMahon for his own sake. For the present, however, none of them wants to face another election and this probably gives Mr. Gorton his best opportunity of rallying them under his leadership, preaching unity for the sake of their own survival. To succeed in this, however, he will have to show some evidence that, under his leadership, the Liberal Party is regaining support in the electorates. In doing this, one handicap may be that not only the Opposition but some of his opponents and rivals inside his own party may keep alive those statements and stories that have been damaging to him.

Last Friday, I kept a long-standing engagement to open a new aluminium smelter in New South Wales. Both Mr. McMahon and Mr. Bury were also present, by long-standing invitation, at the head table at a luncheon attended by 360 businessmen and industrialists. Two things were as visible as any stack of aluminium ingots. Mr. McMahon made a planned and extremely clever speech to "up-stage" Mr. Bury, the new Treasurer, and he succeeded in drawing from the crowd an ovation - a term which I believe is justified when cheers and cries of encouragement accompany long-sustained hand-clapping. I have seen some

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indications in newspapers, too, that, having lost one election, he has already started his campaign for the next one and that there is some popular support behind him.

Considerable difficulty awaits the Gorton Government in the Senate. The Opposition has great opportunities to delay or even to block legislation and the Democratic Labour Party has great opportunities for reminding the Government that it has to rely on their support. As the newspapers here only report the incidents and never the full debates in Parliament, the prospect is that there could be frequent news of the Government's failing in some way or other: and, at the same time, the Government will encounter a good deal of difficulty in putting its programmes into effect.

A Senate election is due in about eighteen months' time. I cannot even guess at this stage whether or not the Government will try to seek an earlier dissolution, but, in any case, it faces the necessity of winning back a great deal of public support in the next eighteen months or suffering a further electoral reverse. While a Senate election cannot change a government that still has a majority in the lower House, an adverse vote, or even the prospect of an adverse vote, in the Senate election, would undoubtedly shake the confidence of the Liberal Party in Mr. Gorton's leadership.

There is a constitutional requirement for Parliament to meet within thirty days of the return of the writs for a general election. Hence the Parliament has been summoned for 25th November. I will open the new Parliament on that day but I am informed that the Speech from the Chair will be limited to a few brief paragraphs, with a promise that a new parliament will be called early in the New Year and a speech containing the Government's programme will be delivered then. The hope of the Prime Minister is that it will be possible to limit the Parliament that opens on 25th November to a one-day sitting and then adjourn. In due course this Parliament would be prorogued to clear the way for a new Parliament to be opened next year, probably on 17th February, 1970. The

*Since I wrote this the date has been changed to March 3.*

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Government does not wish to have long parliamentary debates at present. I am by no means sure that they will get away with it. In the Senate the numbers could stop them from gagging debate or carrying the adjournment.

I have written this despatch with unusual detail. It seemed to me that, as Her Majesty will be visiting Australia in a few months' time, Her Majesty would wish to be fully aware of the political chances and complexities we are facing in Australia. At this stage, I cannot make any confident prediction about the stability, let alone the harmony, of political relationships that may be found in the Government during Her stay. It is expected that the Commonwealth Parliament will again be in session during the period of Her visit and that, alongside the internal troubles of the Government, the Labour Party may be seeking to make a bid during that session to upset the Government. My concern about the situation that may arise next March and April is happily lessened by a knowledge of the political experience, understanding and skill that Her Majesty herself can bring to the performance of Her own duties in such a troubled situation.

I have also written with complete frankness. I know that what I have written will be for the eyes of Her Majesty and yourself alone and that you will understand that, while I have tried to report in good faith as objectively and as fairly as I can, any mistakes that may subsequently appear in my present judgments will be excused as human fallibility in political affairs.

Lieutenant-Colonel the Right  
Honourable Sir Michael Adeane,  
G.C.B., G.C.V.O.,  
Private Secretary to Her Majesty  
The Queen,  
Buckingham Palace,  
LONDON. S.W.1. ENGLAND.

CONFIDENTIAL

NOTE FOR FILE

Friday, 7th November:

The Prime Minister telephoned to me personally about noon to inform me that he had been re-elected Leader of the Liberal Party. He asked when it would be convenient to call on me at Government House. He was not intending to call in order to ask for a commission, as he would need to have some talks with Mr. McEwen before doing that, but he would like to talk things over.

At 6.45pm, the Prime Minister called and we had a long conversation. Towards the end of it, I said that, before I could ask him to form a government, I would need to have from the Leader of the Country Party an assurance that he would work in the Coalition and that the terms of the Coalition were mutually agreed. Hence the procedure might be for me to receive Mr. Gorton first and to receive Mr. McEwen half an hour later, and then say that I would give Mr. Gorton a commission. Mr. Gorton agreed with this procedure and, as the Country Party was to meet on Monday, it was suggested that we might have a further discussion either on that day or on Tuesday and prepare for the Swearing-in of a new Ministry on Wednesday.

Tuesday, 11th November:

At 3.00pm, Mr. Gorton called on me by appointment. He notified me orally that he had been re-elected Leader of the Liberal Party, that he was assured of the support of the Country Party and that the Chief Electoral Officer had confirmed that the Liberal and Country Parties together would have a majority of seven in the House of Representatives. I said that I would ask him to form a government, but that I would wish to have an assurance from the Leader of the Country Party in person of the readiness of the Country Party to join a coalition. Mr. Gorton said that was understood and then handed me a prepared letter tendering his resignation as Prime Minister and proposing the names of a new

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Ministry. We discussed this letter. The Prime Minister gave me his assurance that all persons proposed as Ministers would be willing to accept the portfolios shown on his list.

I agreed that the Prime Minister could announce the names of the Ministry later in the afternoon.

At 3.45pm, Mr. McEwen, Leader of the Country Party, called. I showed him the letter which the Prime Minister had handed to me and the accompanying list of Ministers proposed for appointment. Mr. McEwen read it in my presence and said that the letter and the list correctly recorded the understanding he had reached with Mr. Gorton. He gave me his assurance that the Country Party would work with the Liberal Party in a coalition led by Mr. Gorton.

I told Mr. McEwen that I would confirm with Mr. Gorton my request to him to form a Ministry and my approval of his proposals.

17th November, 1969.

Government House,  
Canberra. 2600.

17th November, 1969.

PERSONAL AND CONFIDENTIAL

Just in case something should come of it, I feel bound to mention for your own personal information an incident affecting the office of Governor-General during the recent election campaign. Unless your judgment is to the contrary, I would not suggest that Her Majesty need be troubled by the incident, but it would be well for you to know of it.

On the last day of the campaign, speaking at a political meeting at Bendigo, the Prime Minister was reported to have said that the Governor-General had "not signed" (in some accounts "had refused to sign") an agreement with the United States to set up a defence science base in Australia and had done so because of the possibility that a Labour Government might be elected and might disapprove of the agreement. Mr. Gorton was also reported to have followed this with a warning that a Labour Government would reject the proposal and damage the Anzus alliance.

On the face of it, any such statement by the Prime Minister on this subject was improper, first, because it was disclosing the business of the Executive Council; second because it was not wholly true; and third because it was deliberately involving The Queen's representative in a matter of political controversy at election time.

The truth of the matter is that there is a well-established convention in Australia that no decisions on major policy or on higher appointments are made between the time of the issue of writs for an election and the time when the results of the election are known. Two matters

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came before me that seemed to fall within this convention, although they had been recommended by Ministers for approval of the Executive Council. After Sir Murray Tyrrell had ascertained that the Prime Minister had previously sent the customary letter to his Ministers reminding them of the convention, I instructed Sir Murray to write to the Clerk of the Executive Council saying that, as these were both matters which, if there were a change of government, a new government might wish to have reconsidered, I would defer the giving of my covering signature on the Executive Council Minute until after polling day, unless some reasons of special urgency could be shown. Polling day was then only twelve days away.

Unfortunately, in the somewhat unpleasant state of the public service today, it was only a matter of days before a distorted account of this deferment became known to the press and on the final night of the campaign Mr. Gorton made a public statement about it on a campaign platform, apparently stating the matter in a way that implied that the Governor-General held the opinion that a Labour Government would act in a way that would damage our alliance with the United States of America. It may have been only clumsiness of expression that led him to say that I had "not signed the agreement" when, if he had decided to make public the proceedings of Executive Council, it would have been more accurate to say that I had deferred until after polling day the final consideration of a recommendation that the Minister for External Affairs be authorised to sign the agreement.

Lieutenant-Colonel the Right  
Honourable Sir Michael Adeane,  
G.C.B., G.C.V.O.,  
Private Secretary to Her Majesty  
The Queen,  
Buckingham Palace,  
LONDON. S.W.1. ENGLAND.

PERSONAL

Government House,  
Canberra, 2600

10th November, 1969.

I have noticed some newspaper reports to the general effect that during the recent election campaign the Governor-General had "refused to sign" some document, the description of the document varying greatly from one newspaper to another. This has been followed by at least one attempt in public to interpret the constitutional significance of the action. It is out of my reach to make corrections of newspaper stories but I felt I should like to inform you personally of what actually happened so that no wrong significance should be given to the incident.

As Executive Council business is secret I do not feel free to refer to the contents of any Executive Council paper but perhaps I should make it clear that my action concerned more than one paper and more than one subject and that the subject matter of any one paper is not immediately relevant to the convention I was maintaining.

It has become a convention of Australian government that a government should not make "new major decisions or major appointments" as from the time of the dissolution of the House of Representatives prior to a general election. It has also become customary for the Prime Minister to send an identical letter to each of his Ministers drawing their attention to this convention and the phrase quoted above is from one such letter sent out by Mr. Menzies when the convention was being more firmly established by him.

There are some decisions and some appointments which require the approval of the Governor-General-in-Council and the convention is regarded as applying to the business of Executive Council no less than to other Ministerial business. Indeed, as business comes to Executive Council on a Ministerial recommendation, the Governor-General-in-Council is put in the position of making a final judgment on whether the convention and the Prime Minister's reminder of it are being observed in the submission of matters to the Council.

The procedure of Executive Council is that the minute papers submitted by Ministers are considered at a Council meeting and, if they are approved by the meeting, the covering signature of the Governor-General is required on each minute paper.

In the instances now under discussion certain matters had been approved at a meeting, not presided over by the Governor-General in person, and then referred to me. I considered that some of these matters were subject to the convention. Having ascertained that the Prime Minister had in fact signed the customary letter requiring observance of the convention, I deferred placing my covering signature on the minute papers concerning the matters I had questioned.

When the results of the election were clearly known and it appeared certain that the new government would take the same view on these matters as its predecessor, I immediately signed the minute papers, without any further meeting of the Executive Council, thus completing the action of the Governor-General-in-Council.

In my view, if there had been a change of government it would have become a matter for the Governor-General to be advised by an incoming Prime Minister whether or not he wanted to have these matters referred back to another meeting of Executive Council.

If any constitutional point was at issue on this occasion it was simply that the Governor-General used a discretion, in support of the Prime Minister's instruction to Ministers, to maintain the established convention and in doing so he placed on record his view that in deciding whether a decision is a "new major decision on policy", one question to be asked is whether it is of such a kind that, if there were a change of government, an incoming government might wish to have it reconsidered. This interpretation would appear to qualify the meaning of "new" rather than qualify the meaning of "major", for the view I took was that it did not exempt a Minister from the convention to say that a statement had been made some months ago about a prospective action. The test still was, if the action was incomplete, whether the Opposition might wish to reconsider it if returned to power.

I have no objection to your showing this letter to any of your professional colleagues who may be interested in the procedures of government and you may draw on the information given in it for any comments or statements in your own name. I would ask you, however, to respect the fact that I am not in a position to make a public statement or to have any comment ascribed to me. My main purpose in writing is



to remove any false impression that might have been created by newspaper reports that I had raised some issue relating to the procedures for the conclusion of treaties or had broken new ground in the relationship between the Governor-General and his advisers.

Yours sincerely,

Sir Kenneth Bailey, C. B. E., Q. C.,  
Special Adviser on International Law,  
Department of External Affairs,  
CANBERRA. A. C. T. 2600

Professor Z. Cowen, C. M. G.,  
Vice-Chancellor,  
University of New England,  
ARMIDALE. NEW SOUTH WALES. 2350

Professor G. Sawyer,  
Professor of Law,  
Research School of Social Science,  
Australian National University,  
CANBERRA CITY. A. C. T. 2601

Professor E. K. Braybrooke,  
Professor of Jurisprudence,  
University of Western Australia,  
PERTH. WESTERN AUSTRALIA. 6000

Professor A. C. Castles,  
Adelaide University,  
ADELAIDE. SOUTH AUSTRALIA. 5000

Professor D. P. O'Connell,  
Professor of International Law,  
University of Adelaide,  
North Terrace,  
ADELAIDE. SOUTH AUSTRALIA. 5000

Professor C. Howard,  
Professor of Law,  
University of Melbourne,  
PARKVILLE. VICTORIA. 3052



28 NOV 1969

TO GOVERNOR-GENERAL

BUCKINGHAM PALACE

24th November, 1969.

My dear Governor-General,

Thank you for your letter of 18th November and for the letters which you have received from people who have written about The Queen's decision not to make a television broadcast at Christmas this year. I have laid these before The Queen.

We have, of course, received a good many similar letters from other parts of the Commonwealth as well as from people in this country. I take it that no further acknowledgements, beyond the ones you have already made, will be necessary.

Yours sincerely,

*M. S. Adams*

His Excellency the Governor-General  
of Australia.



BUCKINGHAM PALACE

PERSONAL AND  
CONFIDENTIAL

24th November, 1969.

*Dear Governor General.*

Thank you for your letter of 17th November, which is most interesting and helpful, about the non signing incident. It is just the sort of thing that the press gets hold of here and, if they do, it is not unlikely to be reported in a misleading way; so I am very glad to know what actually happened.

I do not think that we have an exactly parallel convention here but it would certainly be unusual for Ministers to put forward proposals affecting major policy decisions or higher appointments between the issue of writs for a General Election and the results being known.

Your footnote about the Prime Minister's reaction to all this is slightly disconcerting but I am glad that it has led to no lack of cordiality between you.

*James Callaghan*

*Minister of Education*

*The Queen has read your political letter of the same date during the week end - I hope to reply shortly*

His Excellency the Governor-General of Australia.



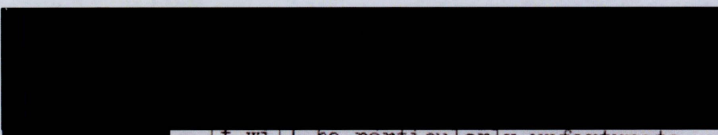
BUCKINGHAM PALACE

Personal and  
Confidential

25th November, 1969.

*Dear Governor General*

The Queen has read your letter of 17th November and desires me to thank you for sending her such a full and interesting account of the events which have taken place since the General Election and the swearing in of Mr. Gorton's second Ministry. You may rest assured that it will go no further.



It will be particularly unfortunate if Mr. Gorton's main critics prove to be correct in thinking that he has not learnt much from his experiences during the last weeks and I note that you too take the view that he has shown few signs of having done so. A majority of six does not allow for many serious errors.

The Queen notes that the new Parliament will have been opened about a month before she reaches Australia and no doubt before that time there may be further difficulties for the Government to overcome. Let us hope that while she is actually with you stability and harmony may prevail and that the Opposition may not choose those weeks to mount a serious attack on the Government. The programme for her visit is now fairly well forward and no doubt it would now be difficult to make any substantial

changes in it. Nevertheless, if there are any avoidable passages in it which you consider likely to give rise to political criticism, I hope that you will not hesitate to draw General Pollard's attention, or mine, to them. I notice on your second page that you refer specifically to the present unfortunate relations between Federal and State Governments; any friction on this front is apt to increase during a Royal Visit and I trust that we may, with the help of yourself and the State Governors, be able to avoid any fires blazing out in April. At present it seems to me, with my limited experience, that the claims of Canberra and the Eastern States are fairly balanced in the programme.

News has just arrived that Alick and Mary Downer are to spend another year in London and everyone will be glad to hear it because they are very well liked.

*With best wishes  
Yours sincerely  
Michael Adams*

His Excellency the Governor-General  
of Australia.

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Government House,  
Canberra. 2600.

2nd March, 1970.

CONFIDENTIAL

I am writing this despatch to reach you before Her Majesty arrives in Australia, as it may be helpful to have recent news of the political situation here before you reach Sydney. I shall write briefly so as not to place undue burdens on Her Majesty while she is travelling.

Following the elections held on 25th October, 1969, the new Parliament met only on the day of its opening, 25th November, 1969, and transacted no substantial business before adjourning. It was announced in the Governor-General's speech at the opening of Parliament that the legislative programme of the Government would be laid before Parliament at the opening of the second session.

The Government incurred much criticism from the Opposition for taking this course and possibly suffered some loss in public reputation by giving the appearance of being either unready or unwilling to face Parliament. It was also criticised for the length of the recess.

The second session of the Australian Parliament was opened by me on Tuesday, 3rd March. The Governor-General's speech for the second session, a copy of which has been forwarded to you separately, shows that the Government was diligent during the adjournment and prepared a number of proposals for implementing policies it had previously declared.

Although none of the proposals is so dramatic as to fire the imagination of the people, some of them could be impressive if put into effect promptly and successfully. The way this session goes will be critical for the standing of the Government.

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The prospect is that the present period of sitting will continue through March, April and May.

During the three months of the recess, the Opposition Leader, Mr. Whitlam, has been active and has continued to give a more attractive picture of himself than the people used to have of him. His parliamentary colleagues have also kept themselves under notice as persons of whom no-one need be scared; and my own impression is that the Labour Party is maintaining what was its most important gain at the last election - namely, it now looks like a credible alternative government.

On the other hand there have been some signs of growing industrial unrest, including a strike of postal employees and a few smaller stoppages or threats of stoppages that cause inconvenience to the general public. Broadly speaking, industrial unrest can be very damaging to the political chances of the Labour Party.

At the same time, any major industrial stoppage presents to any Government the risk of being criticised if it does not restore services promptly and the risk of being criticised about the way in which it does so. In government circles and industrial circles I hear some rumours that increased industrial unrest is likely. This may stem in part from the appearance on the scene of a new, younger and ambitious president of the Australian Council of Trade Unions, Mr. Hawke, in succession to the skilful veteran, Mr. Monk. One of the tests of the Government will be in the handling of industrial questions and already there has been some criticism of it for apparent uncertainty.

Nevertheless, the Government does not seem to me to have suffered much new damage to its reputation. Perhaps it may be counted an improvement for anyone who has been slipping if he does not slip any further. The Prime Minister has earned some respect for a brave front. He and his party could still climb back into favour. The achievement of their programme in the current session of Parliament and the solidarity of the Liberal members in facing Opposition criticism during debate will be of great importance to them. There are still some reports of divided opinion on the Government side.

A Senate election is to be held in approximately twelve months' time, and will bring an unavoidable test of the Government's standing. I doubt whether it would suit either side of Parliament to seek a test before then. Hence, Australia faces the prospect throughout 1970 of a keen contest for political advantage and bold bidding for popularity. I wish that I could be fully confident that, during this contest, both Mr. Gorton and Mr. Whitlam will be able to distinguish between what is advantageous and what is wise. There may be some risk on both sides of bidding that is bold but not always calculated.

During the period of the adjournment two major topics have arisen but neither has been resolved. One is the future of the Australian war effort in Vietnam and, on that subject, I do not feel that I am able to make any useful comment on what the Government may or may not do. Indeed the whole field of foreign affairs and defence policy has become much hazier for the Australian public since the unfortunate events that led to the suspension of the constitution in Malaysia and since the successive American pronouncements on troop strengths in Vietnam. Up-to-date, the Government has done little to remove this haziness. In the Governor-General's speech, the Government promised an early, comprehensive statement on defence policy, but there was not a sentence in the speech about foreign policy.

There have been administrative changes in this field. Sir Arthur Tange, former High Commissioner to India, returns to Australia as Secretary for Defence; and the Secretary for External Affairs, Sir James Plimsoll, goes to Washington and will be succeeded by Sir Keith Waller. In my opinion the Defence change will bring improvement but the External Affairs change may add temporarily to uncertainty in policy. I see some signs that, with the transfer of Mr. McMahon to External Affairs, the Prime Minister is looking to that Department less than he used to do.

The other topic is Federalism. The Prime Minister and the Premiers of the States - all seven of whom are at the present time members of the Liberal Party or of its coalition partner,

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the Country Party, have been engaged in argument about financial provision for the States. Her Majesty will be aware of the practice of uniform taxation under which direct taxation is imposed by the Commonwealth and reimbursement of part of the taxation revenues is made by the Commonwealth to the States, either by the application of a formula or by special grants for defined purposes. By tacit understanding the States have sought to supplement their revenues by various taxation measures but recently the High Court of Australia delivered a decision which invalidated a "receipts tax" which the States were levying. The Prime Minister had promised to make good to the States the revenues they would lose, but the discussion of the method of doing this revived a previously existing argument by States about their "right to tax" and a claim by the State Premiers that the uniform taxation arrangement should either be ended or varied in a way that restored to State Governments the right to raise revenues from direct taxation themselves instead of depending on reimbursement from the Commonwealth. It also revived allegations that Mr. Gorton is a "centralist" and follows a deliberate course of centralising more power in the hands of the Commonwealth. The situation is complicated by the fact that the Liberal Party, which is in practice not an Australian party but a federation of six State Liberal parties, some of which put State politics in clear first place over Federal politics, is dedicated to the maintenance of the Federal system of government in Australia. On the other hand, the Labour Party is unificationist. If Mr. Gorton does show centralist tendencies his critics will be in the Liberal Party and not in the Labour Party. Over-riding all other considerations is the need of State Governments for revenues and their desire to get more. That supreme desire out-shines any principles of federalism or unification or the States' right to tax. Mr. Gorton, a pragmatist, may come out better in dealing in a pragmatic way with such a situation than those of his predecessors who were more learned in the constitution.

I have mentioned some of these matters briefly so that Her Majesty may be aware of them before undertaking Her Australian tour.

There is a mounting interest in Her tour and I have recently been greatly encouraged myself at the frequent signs among the

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populace, particularly among those who might be called, as a term of praise, the "ordinary people" as distinct from the more assertive elements, of a very deep affection for The Queen and of a deeply-rooted loyalty to The Throne. Their friendliness and kindness are part of their very nature.

We ourselves are looking forward eagerly to the arrival of Her Majesty, and especially to Her stay with us in Canberra. My wife and I will be in Sydney on 30th March to greet Her Majesty, and Their Royal Highnesses Prince Philip, the Prince of Wales and Princess Anne.

Lieutenant-Colonel the Right  
Honourable Sir Michael Adeane,  
G.C.B., G.C.V.O.,  
Private Secretary to Her Majesty  
The Queen.



H. M. YACHT BRITANNIA

CONFIDENTIAL

At Wellington,

13th March, 1970.

*Dear Governor General,*

I am most grateful for your timely and interesting letter of 2nd March which arrived here yesterday and which contains your assessment of the current political scene.

At present The Queen is fully immersed in her New Zealand programme which seems to have got off to an excellent start but before she reaches Sydney you may rest assured that she will have read and appreciated your letter.

*James Smith*

*Michael Adams*

His Excellency the Governor-General  
of Australia.

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Government House,  
Canberra. 2600.

1st May, 1970.

I should like to express again my heartfelt thanks for the great honour Your Majesty conferred on me and my wife by appointing me to Your Royal Victorian Order. I am deeply sensible of the distinction and the honour You have done to us and I was very much moved by the kind words which You spoke on giving me the Insignia. What You said will help me and be a great encouragement to us both in trying to represent You worthily in Australia.

I feel that, at the time, my wife and I did not adequately express what we both felt, but I feel sure You will understand that it was a very moving moment for us.

We also appreciated very much Your gift of the ink-stand and the brooch. These will be a personal reminder of a visit that brought great happiness to all of us at Yarralumla.

I trust that You have had a pleasant return journey and a happy homecoming.

Her Majesty The Queen,  
Buckingham Palace,  
LONDON, S.W.1. ENGLAND.

CONFIDENTIALGovernment House,  
Canberra. 2600

19th May, 1970.

Soon after the departure of Her Majesty from Australia, the Prime Minister encountered the political challenge which, at one time, I feared might occur before Her Majesty's visit. The Government and the Prime Minister survived, but it may be of interest and of some help to Her Majesty in keeping in touch with the situation here if I put the main incidents on record. I also would wish to mention one aspect of the matter affecting the role of The Crown in a constitutional crisis.

The occasion for the challenge came with a statement by the Prime Minister in Parliament on discussions between the Commonwealth and the States over control of the sea-bed outside the three-mile limit. For a considerable period of time there has been recurrent discussion on jurisdiction over the sea and the sea-bed around the shores of Australia within the three-mile limit, within the twelve-mile limit or on the continental shelf (the 100 fathom line). Argument has arisen at different times in the post-war years over pearl-shell fisheries, fishing in general (including the problems set by foreign fishing boats), oil drilling on the sea-bed and off-shore prospecting for other minerals. Even questions concerning pollution and conservation have been affected by the argument about jurisdiction. The situation has been further complicated by the international discussion on resources of the sea-bed and the law of the sea. Thus, for the sake of its conduct of foreign affairs as well as for management of domestic affairs the Commonwealth has found reason for seeking constitutional supremacy in this field.

The assertion of the Commonwealth position was made rather tentatively under Sir Robert Menzies and Mr. Holt, but since Mr. Gorton came to office the subject has become more hotly controversial both because of the increased interest in off-shore mining and prospecting and because of the attitude of Mr. Gorton on Federal-State relationships.

Previously, as in the case of drilling for oil in Bass Straits, the Commonwealth Government, while not conceding the legal position, did not attempt to force a decision on its rights but let the State of Victoria exercise responsibility by agreement. The Gorton Government, in February, 1969, however, decided to legislate to assert total rights outside the three-mile limit and announced this intention in the Governor-General's speech at the commencement of the present session of Parliament. This line of action would mean that, unless the States could upset the law by taking a case to the High Court, the legislative supremacy of the Commonwealth in this field would be established and it would be the Commonwealth Government and not the State Governments that had effective control of all off-shore operations outside the three-mile limit. Whatever benefits the States received in future from operations near to their coasts would be subject to the decision of the Commonwealth - a situation that would weaken the States in negotiation with the Commonwealth.

The six State Governments all claim that they were assured that there would be further discussions before this final decision was taken. In this they are supported by Mr. Fairbairn, who was Minister for National Development until after the elections of October, 1969, when he refused to serve under Mr. Gorton any longer. Mr. Fairbairn says that, as Minister, he gave to the States assurances which have since been broken. He regards the question as one affecting both his own honour and the honour of the Government and has publicly criticised the Prime Minister and the Government for what he regards as a breach of a commitment. The Prime Minister says that, while the record shows that there were to be further discussions with the States, the introduction of legislation was not dependent on those discussions, that the discussions were to concern the administrative and other consequential effects of the legislation, and the undertaking was for further discussions but not a commitment to prior discussions. The State Ministers for Mines support Mr. Fairbairn's version. The Attorney-General, who was also present at the conferences, said he believed Mr. Fairbairn honestly holds his view but is "entirely mistaken".

Mr. Fairbairn appears to have gained some support in the Government party room and in a committee of Government members dealing with national development. Some of the support was possibly for his view that the Prime Minister was dishonouring a commitment and some of the support was possibly the result of resistance by some members to federal domination over the States or of objection to the particular piece of legislation. The Cabinet, however, decided to continue with the legislation.

Up to that stage the issue had been chiefly whether or not the Bill on off-shore control would have the support of all Government members. It was known that the Opposition was in favour of the Bill so perhaps the Prime Minister and Cabinet thought they could safely reject the views of the minority on the Government side.

As the consequence of the argument about a commitment to the States, however, the Government - perhaps thinking it would vindicate itself - complied with a request to table the papers relating to discussions with the States. On the occasion of the tabling of papers Mr. Fairbairn made, by leave, a statement. The calmness, lucidity, and patent sincerity of Mr. Fairbairn, coupled with his own reputation for fairness, undoubtedly made this an impressive statement and the strong effect of it probably induced the Prime Minister to reply with a statement in the House, a week later. Whether Mr. Gorton acted shrewdly as well as boldly in doing this is a matter for politicians to judge, just as it is also open to differing political judgments whether he was wise to oppose flatly those members of his party who objected to the off-shore mining Bill. I know from conversation with him that he is set on crushing what he regards as a small and troublesome group of malcontents.

The Prime Minister made his statement, by leave, on May 15. A motion that the House take note of the statement was moved to allow debate to proceed but the Opposition took the Government by surprise by moving, as an amendment, that "the Prime Minister and his Cabinet lack the confidence of the House because they failed to honour a commitment....".

In the course of the day it began to appear that the Government might be in danger of losing the vote, and at one period it was feared that several Liberal Party members might cross the floor or refrain from voting in support of the Government. Behind the scenes throughout the day there was intense activity in the Government corridor, and many conferences in the Prime Minister's room. Eventually, a compromise amendment to the amendment was drafted and accepted by the dissidents. It said that there had been "no failure on the part of the Government to honour any commitments" but acknowledged that the Government did not inform the States of its change of policy, at the time of the change, and this was what led Mr. Fairbairn to believe that an undertaking had been dishonoured. According to my information, Mr. McEwen, as Deputy Prime Minister, had a double task of getting the Prime Minister to endorse the compromise as well as persuading the dissidents to accept it.

The Opposition raised a point of order against this further amendment arguing firstly that it was an "expanded negative" of the original amendment and secondly, that its effect would be to prevent the House from voting on a motion of censure. The Speaker, in my opinion, disregarded the precedents and gave a doubtful decision in ruling that the resolution was in order but, in doing so, he helped to bring about the end of a debate and to avoid a crisis that members were not wholly ready to face.

I have my own personal doubts whether on the Opposition side or on the Government side most members are eager to bring on an election at this stage. Possibly the Labor Party obtained sufficient satisfaction in winning the debate, as it undoubtedly did, in damaging further the reputation of the Prime Minister and in revealing to the public the dissension in the Liberal Party. In my opinion the Opposition might have gone further towards winning the vote if they had worded their amendment so as to concentrate the attack on the Prime Minister. One press commentator, in what seemed to me to be a cogent article, recorded the Labor view as being that they did not want to unseat Mr. Gorton from the Liberal Party leadership, believing that his continuance in office and hence the continued dissension in the Liberal Party will give Labor a better electoral chance than if the Liberal Party were to be harmonised under another leader.

Among members on the Government side there is an obvious reluctance to face an election. None of the dissidents in the Liberal Party would prefer a Labor Government to a Liberal-Country Party Government and some of them, after criticising the Government and Prime Minister, said bluntly that they were not going to vote for the Labor Party amendment because they did not want to give the Labor Party a chance to get the government - an argument that seemed to imply that if, after being defeated in the House, the Government went to the country it was their opinion that the Government was likely to be defeated. The indications are that Mr. Gorton was ready to defy the dissidents to bring down the Government believing that they would not risk a showdown. Yet, in spite of the fact that there were these strong political reasons why no Government member would vote against the Government, it would seem that fear of loss of numbers was great enough among other Ministers to bring about strenuous efforts, mainly, I understand on the part of Mr. McEwen, to get the compromise text and to avoid the vote on the censure motion.



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In the course of this corridor negotiation it was the intention or the hope of some of the dissidents that the defeat of the Government would mean the immediate replacement of Mr. Gorton by Mr. McEwen as Prime Minister but they were told plainly by Mr. McEwen that he was against any such change made in this manner. He persuaded them not to vote against the Government by convincing them that their hopes would fail.

My understanding of the situation is that, without the compromise amendment, there might not have been more than three or four to cross the floor and the Government might still have avoided defeat. The compromise avoided the showdown and nobody crossed. Mr. Fairbairn did not vote.

While the debate was in progress -- and I listened to it continuously on the wireless broadcast -- my own impression was that if any members of the Government had crossed the floor to vote against the Government it would have been largely a vote in criticism of the Prime Minister rather than a disagreement with the Government on policy. I could not see that there was a major disagreement with the Government on policy and, although much was being made of a question of "honour" and an alleged "breach of commitment", I also could not see that the alleged fault was of a kind that, even if declared by a majority of the House to have been proved, would necessarily require a Government to resign. Assuming the Opposition case were to succeed, is Parliament to be dissolved when a Government is alleged to have been tricky in negotiation or to have failed to honour the assurances given by a former Minister?

These questions remain hypothetical because the Government was not defeated. Normally I would not discuss hypothetical situations but I trust Her Majesty will excuse me if I venture to share some of my thoughts with Her on this occasion. There is certainly no-one else with whom it would be proper for me to do so and it would be very unwise for me to discuss the matter, even hypothetically, with anyone here. Yet it is not impossible that a somewhat similar situation may arise again and that I may be required to exercise the constitutional functions of Governor-General on behalf of Her Majesty and possibly to take action which might be relevant to other situations in which Her Majesty or Her representatives might receive advice.

In my view, if the vote had gone against the Government, the Prime Minister and his senior colleagues would have had to consider whether the issue was one that required a dissolution of the House of Representatives and an election. They might well have argued that, although they had lost their numbers on this particular vote, they still had a majority on the floor of the House on every other subject. If that had been so there would have been no need for the Prime Minister to come to me to offer advice and it would only have been necessary for me, when I received a customary private call from him, to receive his personal assurance in due course that he still had the support of the Government Parties. I certainly could not have acted without his advice.

The more difficult situation might have arisen if the Prime Minister had called on me to advise a dissolution of Parliament. I have had some indication that this was the temper of his own mind. I would hope that in such case he would have been willing to follow established Australian precedent and state in writing and in a well-argued way his reasons for giving this advice. I would have felt bound to ask him whether it was impossible for him to carry on the government without an election. I would also have felt bound to ask him whether the Government parties might be able to govern under a different leader and whether his advice to me should not be to grant a dissolution but to commission another member to form a Liberal-Country Party coalition government. I can foresee that this might have led to some objection on his part for he professes to believe that he would win an election and that by so doing he would "smash" the dissidents. It might seem to him that I was assisting his critics to displace him.

As I read the hypothetical situation, the dissidents' objections were to Mr. Gorton as leader and there are constitutional authorities for the view that The Crown should not dissolve Parliament to settle matters that might be settled in the party room. There are also Australian precedents, as when Mr. Menzies lost office in 1941. I would wish in such situations to satisfy myself that all possibilities of forming a government without an election had been tried. It might have been, of course, that the first consequence of defeat of the Government on such an issue would have been a party meeting which would either have requested or received the resignation of Mr. Gorton and elected a new leader, to whom a commission could have been given in the confidence that he would command a majority.

Although the situation is happily hypothetical I have put down on paper the thoughts that were passing through my mind during the debate so that Her Majesty may be aware of the way in which I interpret my constitutional duties.

I doubt whether we will see another challenge of the same kind in the present period of sitting, which is expected to end on June 12. The Prime Minister, in his present mood, however, seems determined to press on with his Bill on off-shore mining. There are some members of the Liberal Party who are still opposed to it. I doubt whether the Labor Party would try to defeat the Government on a direct vote against the Bill but they might find some way of bringing about another vote, for example on an amendment to the motion for the second reading to defer the Bill for six months, that might induce some Liberal members to cross the floor. If the Government were defeated on such a vote I doubt whether it could argue convincingly that the legislation was of such urgency that there must be an election to give the Government a mandate to proceed at once with it, but I also am not sure that the Prime Minister would see the question so calmly. The next period of sitting - popularly called "the Budget session" - will probably commence in August. In my view, the situation then will depend very much on the state of the economy, which has shown some disturbing signs recently. Unless there is a change in the trends I would expect the Treasury to counsel Budget policies which may not be wholly to the liking of Mr. Gorton who tends to hit ugly facts on the head instead of taking them into account. Both Government and the Labor Party will then be setting the stage for the Senate election.

In considering this speculative future three other factors that may be influential are that there is no clear alternative to Mr. Gorton as leader of the Liberal Party; the immediate advantage of the Opposition is to continue to expose the dissension in the Liberal Party under Mr. Gorton's leadership: an election at present would be a gamble for both sides and, if sober calculation prevails, both sides will take some care over the issue on which they go to the voters.

I have written this despatch with frankness and fulness for Her Majesty's eyes alone. May I renew to Her Majesty my assurance of my constant concern for Her interests and my hope to be able to perform my constitutional duties as Her representative with wisdom and with care.

Lieutenant-Colonel the Right Honourable  
Sir Michael Adeane, G.C.B., G.C.V.O.,  
Private Secretary to The Queen,  
Buckingham Palace,  
LONDON. ENGLAND.



BUCKINGHAM PALACE

Private and Personal

26th May, 1970.

*His Excellency General*

I am writing to thank you for your letter of 19th May which The Queen has read with very great interest, particularly so because the events described in it have taken place so recently and since she herself left Australia.

The difficulties which you might have faced in the hypothetical situation described on page 6 are, of course, not unknown here though fortunately they are not at present on the political horizon; only a year ago, however, the newspapers were canvassing something very much on these lines. At present the scene is quite different.

From what you write it would appear that Mr. McEwen behaved with wisdom and honesty on 15th May in avoiding the temptations which were offered to him.

*Mary*  
*Richard Adams*

His Excellency the Governor-General  
of Australia.