



## Reform

The Whitlam Government came to power on 2nd December 1972, becoming the first Labor Government in 23 years.

In a whirlwind of change they banned conscription, withdrew Australia's remaining troops from Vietnam, changed Australia's voting on Southern Africa questions in the UN, negotiated diplomatic relations with Communist China, introduced free tertiary education, abolished the death penalty, reduced the voting age to 18 years, ended what remained of the "White Australia Policy", made "Advance Australia Fair" the national anthem, and commissioned inquiries into schooling and Aboriginal land rights.

They were elected again on 18th May 1974 after Gough Whitlam secured a dissolution of both Houses in April 1974 after the Senate twice rejected the bills setting up Medibank - Australia's first comprehensive national health system - and the bills ensuring one vote one value in elections for the House of Representatives and introducing senators for the Territories. The Medibank and electoral bills were then passed at the first

and only joint sitting of both Houses of the Parliament.



## Political and economic crises

After the 1973 oil crisis, the Whitlam government's reforms slowed as all western economies went into recession and inflation mounted.

A series of political and economic crises racked the Whitlam government throughout 1975. Unemployment was at the highest rate since the Depression. Additionally, there was a change in the leadership of the Liberal Party when Malcolm Fraser replaced Billy Snedden after his third leadership challenge.

A massive swing against Labor encouraged the opposition to force an early election when Whitlam and Fraser campaigned against each other for the first time in the Bass by-election.

The decision of the government to elevate Senator, Lionel Murphy, to the High Court, and the death of a Labor senator from Queensland left two seats vacant in the Senate.

The NSW and Queensland governments chose not to follow

customary practice, replacing two Labor senators with anti-Labor independents.

This situation created a majority in the Senate for the opposition. This majority was used to reject the Whitlam government's budget, which had been presented to the Senate in October.

Fraser, claiming 'extraordinary and reprehensible circumstances', announced that the opposition would refuse to pass the budget bills in the Senate unless Whitlam called, 18 months early, an election for the House of Representatives.

Whitlam stood firm on the principle of the supremacy of the lower house.

As the pressure rose the likelihood increased of the government making alternative financial arrangements so as to be able to govern without the money supply.

## The Middle East 'loans affair'

The press released information regarding moves by the Labor government to raise overseas loan money from the Middle East and the secret negotiations involved.

The so-called 'loans affair'

became a crucial factor in the constitutional crisis that developed when the Senate, controlled by the opposition, delayed approval of the government's money bills for 1975-76.

Dr Jim Cairns, deputy prime minister and minister for the environment, had been sacked in July for misleading parliament over his attempts to raise other government loans overseas. In October, a beleaguered Whitlam denied that his government was still involved in loan-raising activities, but evidence from a London-based intermediary, Tirath Khemlani, was produced in parliament to show that Rex Connor, minister for minerals and energy, had been continuing negotiations despite the revocation of his authority to raise such loans. Connor was also sacked.

## ASIO and the CIA

Australian Security Intelligence Organisation (ASIO) was a domestic counter-espionage organisation created in 1949 to include Australia in the intelligence-sharing network with allied countries following the Second World War, including USA, Britain and Canada.

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ASIO was empowered to collect and evaluate information relevant to the nation's security, and to communicate this to those deemed relevant by its director-general, who in turn reported to the attorney-general.

Relations between ASIO and the Labor party were poor. Many ALP activists knew they were subject to surveillance by ASIO, and ASIO had reported Jim Cairns as a potential threat to democratic order as a prominent anti-war activist.

In 1973 attorney-general Lionel Murphy was praised when he organised a raid of ASIO's Melbourne headquarters to seize documents he claimed ASIO had withheld from him.

ASIO chiefs were appalled as it reduced ASIO's standing as the partner of foreign intelligence agencies, including the US Central Intelligence Agency (CIA).

(continued)



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The US communications base at Pine Gap in the Northern Territory helped the CIA watch and monitor governments seen as hostile to US interests.

Jim Cairns was not allowed to visit parts of Pine Gap to which other senior politicians had had access.

The CIA was particularly concerned in October 1975 when Whitlam named in Parliament CIA official and former head of operations at Pine Gap, Richard Stallings.

Whitlam, needing to counter attack the opposition during the supply crisis, had wanted to bring up Stallings' association with the then National Party leader Doug Anthony, ignoring the cautions of Sir Arthur Tange, head of the Department of Defence.

The CIA made their displeasure known to senior officials in ASIO and the Department of Defence, hoping they would counsel Whitlam to be discreet.

Tange and his colleagues did not want public debate about Pine Gap so close to the date for the renewal of its lease, 10 December 1975.

### Dismissal

The refusal of the senate opposition to pass the budget culminated in a four-week contest of wills between the

House of Representatives and the Senate.

Whitlam needed at least two opposition Senators to vote with the government to pass the budget; four of them have since stated publicly that they were within 48 hours of doing so.

On the verge of success for Whitlam's strategy, the governor-general, Sir John Kerr, without warning or discussion, abruptly ended the crisis, the contest and the Whitlam government.

On 11 November 1975 the prime minister, Gough Whitlam, was dismissed by Kerr, the governor-general whose appointment Whitlam had recommended.

The leader of the opposition parties, Malcolm Fraser, was appointed as caretaker prime minister.

### Controversy

There was intense controversy over the governor-general's actions, especially when Kerr announced that he had sought the advice of Sir Garfield Barwick, chief justice of Australia and a former Liberal minister.

The extraordinary manner in which the Whitlam government lost office also fostered belief within elements of the Labor Party that the CIA and ASIO had played some part in effecting its downfall.

Sir John Kerr consistently denied this charge.

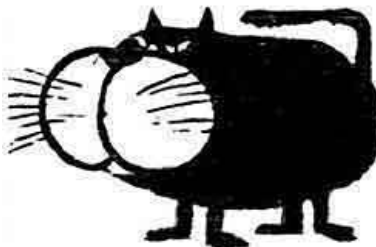
### Liberal landslide

In a general election on 13 December, the new government won a landslide victory. Labor lost 29 seats, and Fraser had the largest majority ever - 55 - in the history of the House of Representatives.

The most important questions which made possible the events of November 1975, such as the powers of the Senate vis-à-vis the House of Representatives, or the powers of the governor general vis-à-vis the prime minister, remain unresolved.

Succeeding governors-general have restored general confidence in office, but a hostile Senate could still force an elected government to an early election.

Sources: Curthoys, A., Martin, A.W., & Rowse, T., (eds.), *Australians from 1939* (1987). Aplin, G., Foster, S. G., McKernan, M., (eds.), *Australians: A Historical Dictionary* (1987). Aplin, G., Foster, S. G., McKernan, M., (eds.), *Australians: Events and Places* (1987).



### Other events referred to in the Hooha game

#### Purchase of Blue Poles.

The Whitlam government had a purchasing program for the National Gallery as part of its funding for the Arts.

One of the purchases, Jackson Pollock's Blue Poles for \$1.3m, was considered extravagant by some at the time.

#### Appoint Rebel Senator Ambassador to Ireland.

The Democratic Labor Party voted with the coalition, much to the aggravation of the Labor government. When the opportunity arose, Whitlam appointed the leader of the DLP, Vincent Gair, as ambassador to Ireland hoping to increase the chance of his successor being a Labor member following the next half Senate election.

The scheme was derailed by then Queensland Premier Joh Bjelke-Petersen who had writs for the election issued before Gair had resigned.

#### Fat Cats.

It was asserted that top executive public servants were feathering their own nests.

### Rescue Motor Car Manufacturer.

Whitlam did a deal on tariffs to persuade Holden to stay in Australia.

#### Middle East Policy.

Whitlam was trying to be even handed. The government was at the time embarrassed about PLO sympathisers within the party.

#### You are the greatest!

Whitlam declared himself the greatest Australian PM ever.

#### Hot Coals.

In response to the rumour of a leadership overthrow in the Liberal Party, leader Billy Snedden said his staff and supporters would walk over hot coals for him.

#### Insult US Ambassador.

When Whitlam rebuked General Motors Holden, the US ambassador took it as an insult as he was a former head of GMH.

#### Morosi Affair.

Dr Jim Cairns conducted a rather public romance with Juni Morosi.

#### Queensland State Election.

Joh Bjelke-Petersen, who gave Whitlam no end of trouble, won the election.

**CHECK OUT THE GAME  
ON THE NEXT PAGE!**

# HOOHA

... The Game You never Win,  
but can't lose!



Don't turn your back on other players  
- throw dice, using different colored buttons  
for markers to play the political game  
of the year - HAPPY HOOHA...

JEFF

<p><b>JUNKET</b> THROW AGAIN</p>	<p>MIDDLE EAST POLICY THROW AGAIN WITH EITHER HAND</p>	<p><b>BUDGET</b> THROW AGAIN</p>	<p>PUBLIC SERVICE PAY RISE! GO BACK TO FAT CATS...</p>	<p>ROWDYISM IN THE HOUSE! SUSPENDED - MISS ONE THROW</p>	<p><b>JUNKET</b> THROW AGAIN</p>	<p>INFLATION SCARING! GO BACK TO BUDGET</p>	<p>YOU ARE THE GREATEST! GO FORWARD ONE SPACE →</p>	<p><b>HUMBLE PIE!</b> THROW AGAIN</p>	<p>UPVALUE THE DOLLAR FORWARD FIVE SPACES</p>	
<p>WORKERS ON STRIKE MISS ONE THROW</p>	<p>STATEMENT BY VICTORIAN BRANCH GO BACK FOUR SPACES</p>	<p>OPPOSITION LEADERSHIP CHALLENGE... FORWARD TWO SPACES →</p>	<p><b>HOOHA!</b> THROW AGAIN</p>	<p>MOROSI AFFAIR MISS ONE THROW</p>	<p>CRITICISE PRESS BACK TWO SPACES</p>	<p>QUEENSLAND STATE ELECTION... BACK TO SQUARE ONE ←</p>	<p>MISLED BY TREASURY... GO BACK TO FAT CATS</p>	<p>POPULARITY DECLINE! GO BACK FIVE SPACES</p>	<p>UNEMPLOYMENT GOING UP! BACK TO BUDGET</p>	
<p>DEVALUE DOLLAR FORWARD ONE SPACE</p>	<p><b>JUNKET</b> THROW AGAIN</p>							<p>BUY FLEET OF HOLDENS... GO BACK 37 SPACES</p>	<p>PILOTS' STRIKE STAY PUT ONE THROW</p>	<p>PURCHASE 'BLUE ROLES' BACK TO SQUARE ONE</p>
<p>ALL NIGHT SITTING TIRED... MISS ONE THROW</p>	<p>INSULT UNITED STATES AMBASSADOR BACK FIVE SPACES</p>	<p>RECOGNISE BALTIC STATES BACK ONE SPACE →</p>	<p><b>HOOHA!</b> THROW AGAIN</p>	<p><b>HOT COALS!</b> JUMP UP AND DOWN AND MISS ONE THROW!</p>	<p>VISIT WHITE HOUSE FORWARD SIX SPACES</p>	<p><b>JUNKET</b> THROW AGAIN</p>	<p>INFLATION, UNEMPLOYMENT SOARING - SACK TREASURER AND RETURN TO BUDGET →</p>	<p><b>HOOHA!</b> THROW AGAIN</p>	<p>PILOTS' PAY RISE BACK THREE SPACES</p>	<p><b>ASIO</b></p>
<p>WIN ELECTION ADVANCE FOUR SPACES</p>	<p><b>HOOHA!</b> THROW AGAIN</p>	<p>RESCUE MOTOR CAR MANUFACTURER MISS ONE THROW</p>	<p>SENATE FORCES ELECTION GO TO BARRIER REEF TO WRITE POLICY SPEECH</p>	<p><b>FAT CATS</b></p>	<p>PREMIERS' CONFERENCE PROMISE FINANCIAL AID TO STATES - MOVE BACK TEN SPACES</p>	<p>STOCK MARKET DEPRESSED MOVE TO BARRIER REEF TO THINK</p>	<p>GALLUP POLL SHOWS DECLINE IN POPULARITY ADDRESS THE NATION MISS ONE THROW</p>	<p>APPOINT REBEL SENATOR AMBASSADOR TO IRELAND FORWARD FIVE SPACES</p>	<p>WORKERS GET PAY RISE... BACK SIX SPACES →</p>	<p>PILOTS' STRIKE STAY PUT ONE THROW</p>