



## ONE MORE NAIL

### *Chapter Sixteen* **Some Sacred Cows**

Members of Parliament soon learn that there are some solid, reliable subjects about which the electorate loves to hear their Member give tongue. I will parade a few of these.

In a rural electorate such as Wakefield people always want their member to be eloquent about decentralisation. South Australia has a greater percentage of its population living in its capital city than almost any state or country in the world, with the exception of city states such as Singapore or Hong Kong. So you would expect the comparatively small proportion of people living in the country to want to hear what could be done to stop the continual drift to the city. And because the provision of services for country people become more expensive as the country population becomes thinner spread, so my electors became increasingly anxious about decentralisation.

The trouble is that I found it much easier to spell out the problem than to find the cure. For instance at one R.S.L. meeting, where the audience was not as respectful as at a Liberal Party branch meeting, I was asked a very direct question — “Do you know that there were every year fewer farmers in this district, that the farms were becoming larger and the small towns were becoming smaller? And if you do know this, what are you going to do about it?” Then the questioner added sourly that he didn’t want any examples of smart political footwork, what he wanted was a straight answer to a straight question. So, taking my courage in both hands and making sure again that the door in the supper room was open, I replied that I had certain but painful solutions to both problems. First, dealing with the increasing size of the farms, I pointed out that the farms in our district were originally worked by horse teams, and were generally about the size that a 8 to 10 horse team could handle. And when tractors replaced horses the farms became bigger also. And as our tractors grew in size our farms grew even bigger. “So if you want this stopped the solution is comparatively easy,” I explained a little nervously, “we could pass a law making it illegal to farm with tractors.” This answer saddened my audience; it wasn’t what they wanted to hear.

And in that district there were many very small townships, much more so than in Victoria or N.S.W. Our towns are spaced along the railway lines about ten miles apart because if the towns were more widely spaced, getting the mail and groceries in the horse and trap became too difficult, and it also made wheat carting distances too great. “So again I can solve the problem of the small country towns becoming smaller,” I said brightly, “all we need is a law making the use of motor cars illegal.”

There is another aspect of the decentralisation problem that only country dwellers can understand and that is the bitter rivalry that exists between neighbouring country towns. While my electorate were enthusiastically in favour of the general concept of decentralisation, this enthusiasm would disappear like a mist on a summer morning if they thought that another town, particularly a neighbouring town, was getting better treatment than it was getting. Yet we know that the only way we can make decentralisation successful, is to select a growth centre and to concentrate our limited resources on this one area. But this means leaving unassisted all the other towns who will hate you till you die. It is rather like selecting the belle of the country

ball, the one you eventually select, after giving them all as careful examination as your wife will allow, probably lives outside the electorate, while the thousands of relatives and friends of the ones that were passed over will spend the rest of their lives getting even with you.

So country politicians soon learn that, though their electors love hearing resounding statements about decentralisation, they are not nearly so keen when something starts to happen. The real driving force for decentralisation will come, strangely enough, from the big cities, when their inhabitants become so nauseated with the frightening effects that occur when too many people are crowded together. Then you will find that big city dwellers will be prepared to pay good money to stop other people joining them there.

Another sacred cow that a politician soon learns to treat with great respect is the idea that he is only interested in the well-being of people — “I am not bound by the dictates of economists,” he soon learns to say in ringing tones, “it is people and people only that I care about.” The electorate loves this, all except the economists and there were never many of these in Wakefield. And economists are always unpopular, as indeed are all bearers of bad tidings that you cannot have everything you want. But all the time you are making yourself popular castigating economists, you should feel slightly ashamed because you know in your heart that the economy’s ability to help the poorer people depends in the end on how well the economy is running. So the next time you hear some smart politician, or indeed any other sod, proclaiming the depth of his feeling for people and how indifferent he is to economic advice, I suggest you regard him with a jaundiced eye because he is likely to be either a fool or a charlatan.

Expenditure on health is another sacred cow which, like motherhood, is universally admired, but she takes a lot more to keep than she used to. The health costs go up in leaps and bounds each year. On our side of politics we usually now blame Medibank for this escalation and as far as increased hospital costs this criticism may well be justified. But I noticed in 1972, before Medibank, that medical costs were increasing in an alarming way. I used to blame everybody and everything until I got ill myself and then I realised that some of the fault was mine.

In 1972 I decided that I was going to be ill. There were no definite symptoms but close and urgent attention to my heart-beats seem to point to a severe cardiac problem and from there it was only a few steps to imagining that I was trembling on the brink. I began drawing poignant pictures of me dropping in my tracks in the course of my duty and the word “dedicated” frequently appeared in the epitaph that I fondled in my mind. I used to imagine the scene in Parliament when they mourned my passing, with the House standing in hushed silence after the party leaders had, with broken voices, extolled my many virtues. I sometimes wish I could be there to hear it all.

After extracting the maximum pathos from my condition, I went with faltering steps to see my G.P. I steeled myself to hear the sentence I knew would come, that I had a very bad heart caused by my devoted dedication to my constituents. I knew that the doctor would tell me that my only hope was to take things easy for what was left of my life.

My doctor was very thorough; he kneaded me all over, listened to me in a most intimate way through his stethoscope and the questioned me closely about the life I lived. I seized the opportunity to tell him how hard I worked, how I had to sit up all night reading Tariff Board reports and so on. I was just about in tears by the time I had finished the saga of my suffering.

Then he took a long breath and I felt that he was preparing me for the worst. Then he informed me that my trouble resulted from not taking enough exercise, and eating too much and drinking

too often. I received this information with such obvious incredulity that he said that, I being so important to the nation, should go to see some specialists.

He then took some blood from me by jabbing me with a great big needle. I was surprised to see that my blood looked quite ordinary. I don't know what I expected, perhaps very blue blood or white blood caused by devotion to my people. The doctor sent the stuff away to a big firm of blood pathologists who were very busy examining blood and building a great palace to do it in so that paying income tax wouldn't break them. After a decent interval their report came back to the G.P. to the effect that there was nothing wrong with my blood that a little abstinence wouldn't cure. The G.P. told me in confidence that there was not one word in the report about dedication.

The G.P. then sent me off to a heart specialist clinic. This was an exciting experience. I was wired into a weird and wonderful battery of machines that pulsated away as if my heart was really belting itself to bits, and they plugged their electrodes in to the most intimate places. And one of the specialists sat on my side of the couch complaining about his income tax.

After an hour of this, I implored the specialist for a report because I could stand the strain no longer. He tried to avoid doing this which only made me more certain that the prognosis was serious. Then he told me that he thought my main trouble was drinking too much red wine. There was no mention of dedication, no warning about too much work, only this silly emphasis on red wine.

Then I went back to the G.P. who informed me cheerfully that his original diagnosis had been confirmed and there was really nothing wrong with me that a little exercise and abstinence would not cure. When I asked him whether he would have sent me to these specialists if he had not known that most of the expense would be met by my medical insurance. "Of course not, Bert," he replied, "and I know you well enough to know that you wouldn't have gone either if you had to pay for both services. But you have paid your insurance, so you might as well be absolutely certain."

I know that specialists are necessary. But I now know from my own experience, that many visits to specialists are only made because their direct cost to the patient is minimal. So the specialists have an expanded clientele, with an assurance of being paid such as they never had before. The system suits them fine. It also gives, in some cases, good medical results, I admit. But supplying services at a good deal less than cost is a certain way of leading to their overuse. The things you get for nothing you value as much.

So every time the taxpayer, represented by the government, supplies something for nothing or next to nothing, the cost goes up and up. The sad thing is that we think we are milking the government, but we are really milking each other and there really is not much profit in that exercise except for the specialists who get the cream.

Education used to be a sacred cow which the smart politician soon learnt to worship. But she is not what she was; she has gone off her milk, as it were. I told a group of ardent educationists the other day that if I now wanted to make myself really popular in Wakefield I would advocate spending less, rather than more, money on education. This was a shock to them but there have been so many glaring examples of extravagance in education spending that people are sick of it. Particularly is this so in the country where examples of waste, though not more common, are known to a greater proportion of the population. And we know that the lion's share of any increase in the education vote has gone, in the past, to the teachers.

It is also becoming too common in the country to want to see a big cut in University expenditure. I do not go along with this but I would very much like to see the tenure position altered. There are too many people on university staffs who are only there because they cannot be sacked.

One of the silliest things we do in the education field is force unwilling students, particularly boys, to stay at school until they have reach a comparatively high legal leaving age. Many such students become a grave disciplinary problem, particularly for young girl teachers. Trying to hold the heads of unwilling students forcibly in the trough of learning is not a good way to behave. It would be better to let them out into the world if they hate being made to stop at school; they may then be more willing to return later in life to some form of adult education.

I wish that we had never given free university education to all students. Nothing in life is really free, and the freer it appears to be, the less it is valued and the more it is wasted.

Another sacred cow the politician quickly learns to pat is the idea that we are lucky because we have plenty of great empty spaces. When you hear anybody, particularly Members of Parliament, talking that way you know that they do not know what they are talking about. Those of us who know how inhospitable and tough are these great open spaces which look so flat and inviting on the map, also know that they present one of the greatest handicaps to our development. Australia spends a greater proportion of her national product in transporting goods and people across these great open spaces than any other country spends on transport. One of the reasons for this is the iron grip that the maritime unions have on the country, so that it costs more to transport goods by sea from Sydney to Perth than from Sydney to London, going past Perth on the way. But even if we did not have tied around our necks the Navigation Act, which enforces the carriage of our interstate sea cargoes in Australian ships, we would still have to face the heavy transport costs in crossing the deserts which occasionally become inland seas. *The Tyranny of Distance* by Geoffrey Blainey, should be required reading by all politicians.

We have developed for farming, country which no other country would have farmed. If land is left unfarmed in Australia, you can bet your bottom dollar that it is useless.

Another sacred cow that it pays a Liberal politician to pat every time he walks past is the States Rights cow. This is particularly so if you come from one of the smaller States as I do. Most of my electors had a very lively suspicion that Victoria and New South Wales were grinding our faces in the dirt. If you really want to be loved it pays to beat the State's drum. But it gets a bit embarrassing sometimes. I will give three examples.

Soon after I became a Member of Parliament, Mr (later Sir Thomas) Playford was our State's distinguished Premier. Every now and then he used to give tongue about the shoddy deal South Australia was getting from the Commonwealth and he would proclaim that what he wanted above everything was for South Australia to get our income taxing powers back so that we could have a fair go again, as we used to before the evil Commonwealth took away our right to levy our own income tax. Being rather dewy-eyed, I sidled up to the great man and volunteered the information that, from now on, he could count on me as an active ally in his struggle to get back his taxing powers so that the State could progress once again. Mr Playford was rather startled to hear these glad tidings and asked me to repeat my statements to make sure that he had heard right. Then he took me into the privacy of his office and, carefully closing the door, admitted that, though this was the song he sang in public, he didn't really want his taxing powers back. "The present system rather suits me, Bert," he explained, "the Commonwealth gets the odium for raising the money and I get the credit for spending it. And

if I think I am not getting enough, I go round to see the *Adelaide Advertiser*, and they twist the Commonwealth's tail till I get some more. The sympathies of the citizens of South Australia are always on my side. So if you don't mind, Bert, don't try too hard to get my income taxing powers back."

Soon after that I read a verse of poetry that was made up by some Commonwealth officials who had been taking part in a conference between the States and the Commonwealth with the objective of returning to the States the income taxing powers they had lost during the war. You are to imagine that one of the State officials is speaking. The verse runs:

We thank you for the offer of the cow,/But we can't milk so we answer now,/We answer with a loud emphatic chorus,/You keep the cow and do the milking for us.

On another occasion at a South Australian Liberal function, we spent most of our time blaming the Commonwealth because South Australia was not getting a fair go and because we were such a poor State as far as resources went, we deserved more from the Commonwealth. They then asked for questions, so I asked, "I have a son who wants to start out on his own, farming. What should I do, encourage him to go to Western Australia where they have cheaper farming land, or to stop in South Australia and practise with his begging bowl?" They hated me for that, but I was trying to make them face up to the problem that if you are in the wrong location, it is usually better to shift rather than sit around complaining. But this was not the right way to make myself popular.

The third occasion was when I became a Minister. One of the big and powerful groups turned on a splendid lunch in my honour, and after lunch some nice speeches were made, and the general theme was gratitude that the State now had a representative who would fight the State's battles in Canberra. "There are all kinds of things you can do for us, Bert," they explained. "We must have the Chowilla Dam and more money for most things. You will fight for us, won't you?" "I will do what I can," I said lamely, "but any time you want me to do something for the benefit of my State to the detriment of Australia, would you please put the request in writing?" I know that they were disappointed in this answer but most of the particular advantages given to a particular State are at the expense of the nation. Not always, but mostly.

The Fraser government is trying to bring some sense into the field of State-Commonwealth financial affairs, with its Federalism policy. But it will not get very far along that road while it continues to give grants to particular States for particular purposes. When the new Federalism policy was unveiled when we were in opposition, I told the Party meeting then that it would be necessary to stop making special grants to the States because, once you started to give grants for any purpose, all states would want special consideration. "You gave special grants for such-and-such a project to a certain State, why don't you give us something also?" they say, or, "Don't you love us as you love the others?" will be their complaint.

So the Federalism policy will gradually become more and more blurred each time we are unable to resist the temptation to make good fellows of ourselves by giving away your money to popular causes. And that reminds me of a peculiar trait in politicians; we like to give the impression that, if the Commonwealth gives its money, say, to an aged persons' home, that is our money we are giving away, not yours. We like to hear eloquent tributes to our generosity, but it is your money, after all. But our anger is unbounded if the Commonwealth has supplied most of the money, but State Members of Parliament turn up at the opening function and are given a more prominent position on the dais than we are. If the Federal member has been a lot of help with a project, as he often has been, it is proper that he get a little credit. But people should never credit him with generosity. It is your money that he is giving away.

Another sacred cow that the electorate loves you to pat is the idea of everyone being equal. By so doing you appear as a man of sympathy and understanding. But most times we have to make a choice between cutting the economic cake into equal but smaller slices, or having unequal slices cut from a bigger cake. This is a very great pity because I find the flaunting of unequal wealth irritating and demeaning. But the awful truth is that there are too many people around like me. If I find that taxation is taking too much of what I produce, then I stop working hard and taking risks, so the economic cake is not as big as it would have been if taxation had been lower. But most of our taxation goes to make people more equal.

Everyone knows this, of course, but I have never seen it so clearly expressed as by Professor Hayek in his great book *The Constitution of Liberty*:

The range of what will be tried and later developed, the fund of experience that will become available to all, is greatly extended by the unequal distribution of present benefits; and the rate of advance will be greatly increased if the first steps are taken long before the majority can profit from them. Many of the improvements would indeed never become a possibility for all if they had not long before been available to some. If all had to wait for better things until they could be provided for all, that day would in many instances never come. Even the poorest today owe their relative material well-being to the results of past inequality.<sup>1</sup>

Hayek then gives point to this thesis with his powerful statement:

At any given moment we could improve the position of the poorest by giving them what we took from the wealthy. But, while such an equalizing of the positions in the column of progress would temporarily quicken the closing-up of the ranks, it would, before long, slow down the movement of the whole and in the long run hold back those in the rear. Recent European experience strongly confirms this. The rapidity with which rich societies here have become static, if not stagnant, societies through egalitarian politics, while impoverished but highly competitive countries have come very dynamic and progressive, has been one of the most conspicuous features of the postwar period.<sup>2</sup>

#### References:

1. F.A. Hayek, *The Constitution of Liberty* (University of Chicago Press, 1960), p. 44.
2. *Ibid.*, pp. 48-49.