AT 1.45pm on Tuesday, December 5, 1972, three days after Gough Whitlam had led Labor to government after 23 years in opposition, he spoke to outgoing prime minister Billy McMahon by telephone. McMahon kept a record of the conversation. It has not previously been published. It conveys the energy, drive and frenetic activity that would characterise the subsequent three years of Labor in power.

"You will know that I have party rules which I have to adhere to and they require the election of members of the ministry," Whitlam told McMahon. But Whitlam did not want to wait until a full ministry could be elected and sworn-in.

He told McMahon he had already consulted governor-general Paul Hasluck and arranged for himself and his deputy, Lance Barnard, to be sworn in that afternoon. Between the two of them they would administer every
ministerial portfolio of the government.

"There were certain matters," Whitlam told McMahon, "which must be done immediately to carry out electoral promises."

McMahon was stunned. He had first spoken to Hasluck about the transfer of power at 10.50am on the Sunday after the election, according to notes kept by Hasluck.

McMahon expected to carry on as interim prime minister until the full ministry could be elected by the Labor caucus and sworn-in. "He proposed that he should call on me next Tuesday to hand in his resignation and to advise me to send for Mr Whitlam," Hasluck wrote.

But McMahon anticipated that Whitlam would wait until Thursday to see Hasluck, in line with the timetable for the last transfer of power, from Ben Chifley to Robert Menzies in 1949.

However, Hasluck would see Whitlam on Tuesday, straight after seeing McMahon, and commission him later that afternoon.

Whitlam had consulted the secretary of the attorney-general's department, Clarence Harders, who advised there were "no legal or constitutional impediments" to the formation of a duumvirate government.

McMahon arrived at Government House to tender his resignation as prime minister at 11.30am on the Tuesday after the election.

"In the course of the conversation he expressed a mixture of disappointment and of relief at the results of the election," Hasluck recorded. "He (McMahon) was not chastened, or so it appeared, by the defeat, which he thought was due to the faults of others and the wickedness of the Labor Party."

If McMahon had won the election, he told Hasluck, he would have retired "in about two years' time". He was not interested in helping to rebuild the Liberal Party and signalled he would exit from politics at the next election. (He would not resign from parliament until January 4, 1982.)

Following McMahon's meeting with Hasluck, the governor-general saw Whitlam at 12.15pm. "I congratulated him on his victory at the polls," Hasluck wrote, "(and) told him that I had accepted Mr McMahon's resignation and asked him to form a government."

Whitlam advised that a two-man interim ministry be formed. Hasluck agreed. A swearing-in was scheduled for 3.30pm that afternoon.

After seeing Hasluck, Whitlam informed McMahon on the telephone there would be no delay in forming a new government. Nor would there be a meeting of outgoing and incoming prime ministers. Whitlam assured McMahon he "did not want to create the impression that he was rushing in to grab the spoils".

As the brief call ended, and learning his prime ministership would expire in less than two hours, McMahon noted: "I wished him good luck and said that I hoped he was given a fair go."

For Whitlam, winning an election mandate was not viewed "merely as a permit to preside, but as a command to perform".

There was no time to waste; one of the most tumultuous periods in Australian politics was about to begin. Edward Gough Whitlam became the 21st prime minister of Australia just after 3.30pm on Tuesday, December 5, 1972.
More than 40 years later, Whitlam's legacy casts a long shadow over the party he led, the nation he transformed and the political life of Australia that he recast. The legacy extends to three key areas.

First, Whitlam turned what was a ramshackle, unrepresentative and unimaginative Labor Party into an electoral force that could win government. He oversaw major reforms to the party's organisational structure and renovated its policies.

Second, Whitlam's political ascendancy marked the birth of modern politics: specialised advertising, market research, the use of television to its full potential, targeted seats and professional candidate training and on-the-ground organising.

And third, the policy legacy of the Whitlam government is significant and lasting. Many reforms that were fiercely opposed by the opposition parties and the conservative establishment have now become bipartisan articles of faith.

Universal healthcare was achieved with the creation of Medibank. Schools funding became needs-based, rather than ad hoc funding for grants and scholarships, ending decades of division over state aid. University and technical college fees were abolished.

Environmental impact statements for major cabinet decisions were introduced. Thousands of homes were connected to the sewer. Funding was provided for major infrastructure and public transport projects.

The arts were encouraged with new funding and new and reformed creative institutions. Women were given equal opportunities in federal government employment.

In foreign policy, the government adopted a more independent outlook that was less attached to Britain or the US. The withdrawal of forces from Vietnam was completed and conscription was abolished. Conscientious objectors were freed from prison.

Diplomatic recognition was given to China, building on Whitlam's landmark visit as opposition leader in 1971. The transition to independence and self-government in Papua New Guinea was completed.

Reflecting Australia's new international outlook, appeals to the British Privy Council from state supreme courts were abolished, a new Australian honours system was introduced, the Queen's title was changed to "Queen of Australia" and Advance Australia Fair replaced God Save the Queen as the national anthem.

A suite of law reforms were introduced: lowering the voting age to 18 years, two new senators for each of the territories, one-vote-one-value electoral laws, abolition of the death penalty, the establishment of legal aid, no-fault divorce and the passage of the Racial Discrimination Act. The final vestiges of the White Australia policy - allowing for immigration applications to be assessed on the basis of the colour of a person's skin - were removed.

There were important economic reforms such as the abolition of tariffs, subsidies and preferential tax treatment for certain industries. The introduction of new trade practices laws tackled anti-competitive behaviour.

The government invested in the productive drivers of the economy such as education and infrastructure. But, as Whitlam argued, the economic failures were significant.

The economy inherited in 1972 was experiencing a downturn and unemployment and inflation were at their highest point since the early 1960s. Growth was below the post-war average.
There were a series of external shocks to the economy, including a 70 per cent increase in oil prices in late 1973.

Although the government reduced spending in some areas, the overall size of the public sector dramatically increased and government spending ballooned. Failure to strike a co-operative partnership with unions led to a series of wage breakouts.

In many ways, Whitlam was the government. He was a conviction politician. He was in politics for a purpose. His mission was to reform Australia. He pursued it relentlessly with imagination, intellect and courage.

It underscored Whitlam's inimitable description of himself as a "crash through or crash politician".

This virtue, however, was also a vice. The drive to implement Labor's mandate, at almost any cost, led to a chaotic and, at times, shambolic government that paid little attention to the economy, the state of the budget, public service advice or to public opinion.

How Labor governed was a central factor in the events that led to its downfall.

Early in the evening of June 11, 1974, Gough Whitlam arrived at Government House to talk to Hasluck.

At the midpoint of the government, Hasluck offered Whitlam the opportunity to unburden himself by sharing the challenges he faced and to seek his counsel.

For nearly an hour they discussed the recent reshuffle of the ministry, the "dead wood" that remained and the "reservations" they both shared about the "fiercely ambitious" Cairns, who had just been elected deputy leader.

Then Hasluck delivered his assessment of the government - what he called "a little homily" - in the wake of the 1974 election:

"(T)he electorate had decided to give him 'a fair go'. He was still on probation. The electors generally welcomed the signs of purpose, energy and determination in his ministry.

"A new spirit was coming in Australia and his government had seemed to many people to be expressing this new spirit and setting out with a new purpose."

Hasluck noted Whitlam's superiority to opposition leader Billy Snedden. But then came a warning: "Many people had been displeased. He did not get a strong majority because he had offended or scared too many sections of the populace. Mostly it had been unnecessary to do so," he said.

This was a perceptive reading of the government. Hasluck said Whitlam had time to turn it around. After all, it would be three years until the next election. But there would not be three more years.

The Whitlam government was dismissed by governor-general John Kerr on November 11, 1975.

From The Whitlam Legacy (The Federation Press), edited by Troy Bramston.