# Federal Constitutional Law – 2019

| 1. | Background to the Constitution and overview of FCL  | 5  |
|----|---|----|
|    | Build up to federation and passing the Constitution   | 5  |
|    | Statute of Westminster and the Australia Acts   | 5  |
|    | Main features and influences  | 6  |
|    | Trends  | 7  |
|    | Types of constitutional challenges  | 7  |
| 2. |   | 8  |
|    | Commonwealth-State Relations  | 8  |
|    | The law before Engineers  | 8  |
|    | Engineers Case - Amalgamated Society of Engineers v Adelaide Steamship Co Ltd (1920) 28 CLR 129 | 10 |
|    | Facts of Engineers Case   | 10 |
|    | Issue of Engineers Case   | 10 |
|    | Outcome of Engineers Case   | 10 |
|    | Relevance/effect of Engineers Case  | 11 |
|    | Overruling  | 11 |
|    | Literalism  | 12 |
|    | Legalism  | 12 |
|    | American case law   | 12 |
|    | Impact  | 12 |
|    | Reactions to Engineers  | 13 |
|    | Jumbunna  | 13 |
|    | Outcome   | 14 |
|    | Jumbunna principle  | 14 |
|    | Interpretation and the role of conventions  | 15 |
|    | Heads of power  | 15 |
|    | Importance of the interpretation method   | 16 |
|    | Theories of Constitutional Interpretation   | 16 |
|    | Overview of Literalism  | 18 |
|    | Overview of Legalism  | 18 |
|    | Advocators of legalism  | 18 |
|    | Rejections of legalism  | 19 |
|    | Overview of Judicial choice   | 20 |
|    | Advocators of Judicial Choice   | 20 |
|    | Rejectors of Judicial Choice  | 20 |
|    | Originalism   | 21 |
|    | Textual originalism   | 21 |
|    | Textual objective conventionalism/originalism   | 22 |
|    | Other interpretative methods  | 23 |
|    | Overview of Textualism  | 24 |
|    | Textual originalism and evolution   | 24 |
|    | Rejection of modernizing approach   | 25 |
|    | Overview of purposive interpretation  | 25 |
|    | Other commentary on constitutional interpretation   | 27 |
|    | JD Heydon: Theories of Constitutional interpretation  | 27 |
|    | Sir Anthony Mason: The Role of a Constitutional Court in a Federation                           | 27 |
|    | Murray Gleeson: Judicial Legitimacy   | 27 |
|    | Stophon Googler: Boyand the Text: A Vicion of the Structure and Eunction of the Constitution    | 28 |

|    | Constitutional interpretation in practice  | 28 |
|----|--|----|
| 3. | Characterisation   | 30 |
|    | The general approach to characterisation   | 30 |
|    | Dual characterisation  | 31 |
|    | Interaction between heads of power   | 31 |
|    | Subject matter and purpose powers  | 32 |
|    | Sufficient connection  | 32 |
|    | Does a particular law fall within a head of power?   | 33 |
|    | Step 1: Identify the relevant HOP, and the limits and scope of the subject matter area/purpose | 33 |
|    | Step 2: Is the law 'with regard to' the HOP? (the Characterisation process)                    | 34 |
|    | Step 3: Law will still be valid if it is incidental to a HOP                                   | 35 |
|    | Step 4: Dual characterisation is possible  | 35 |
|    | Step 5: Is there another constitutional area preventing validity of the Law?                   | 37 |
|    | Grain Pool principles  | 37 |
|    | Incidental powers: test  | 37 |
|    | Incidental powers: determinacy   | 38 |
|    | Proportionality (characterisation)   | 38 |
|    | Constitutional limitations   | 41 |
|    | The effect of precedent in the High Court  | 42 |
|    | May individual judges depart from past decisions with which they disagree?                     | 42 |
|    | Reading down and Severance   | 43 |
|    | Reading down   | 43 |
|    | Severance  | 43 |
|    | Principles of severance and legislative attempts to curtail Court's discretion                 | 44 |
| 4. | External affairs power (s 51 xxix)   | 45 |
|    | Introduction to External Affairs Power   | 45 |
|    | Scope of the External Affairs Power  | 45 |
|    | Process of characterisation (External affairs power)   | 45 |
|    | Overview of Relations with other countries basis   | 46 |
|    | Overview of Matters external to Australia basis  | 46 |
|    | Overview of International Law basis  | 49 |
|    | Overview of Treaty implementation basis  | 49 |
|    | The Expanding (External Affairs) Power   | 51 |
|    | Conformity doctrine (External affairs power)   | 54 |
|    | International recommendations (External affairs power)   | 55 |
| 5. | The Defence Power (s 51 vi)  | 56 |
|    | Nature of defence power  | 56 |
|    | WWII Cases   | 56 |
|    | Process of characterisation (defence power)  | 57 |
|    | Post-war use of defence power  | 57 |
|    | Defence power during peacetime   | 58 |
| 6. | Trade and commerce power (s 51 i)  | 61 |
|    | Interpretive issues - Trade and Commerce power   | 62 |
|    | Scope of Trade and Commerce power  | 63 |
|    | Incidental aspect of Trade and Commerce power  | 65 |
| 7. | Corporations power (s 51 xx)   | 69 |
|    | Corporations power: the early approach   | 69 |
|    | The start of the new approach  | 69 |
|    | What is a constitutional corporation?  | 70 |
|    | Formed within the limits of the Cth  | 71 |
|    | Which corporations can be controlled?  | 71 |
|    | Trading corporation (constitutional corporation)   | 71 |
|    | Financial corporation (constitutional corporation)   | 72 |

|    | What aspects / activities of a corporation can be regulated?                   | 73         |
|----|--|------------|
|    | Most recent cases (corporations power)   | 74         |
|    | What activities/affairs may be regulated?                                      | 75         |
|    | Protecting trading corporations  | 76         |
| 8. | The Races Power  | 81         |
|    | 1967 referendum  | 81         |
|    | Process of characterisation (races power)                                      | 81         |
|    | Pre-Kartinyeri case law  | 82         |
|    | Is the races power only the benefit of a race?                                 | 87         |
|    | Kartinyeri case  | 87         |
|    | <b>-</b>   |            |
| 9. | Taxation power - s 51(ii)  | 89         |
|    | Process of characterisation – taxation power                                   | 89         |
|    | Fiscal provisions (tax power)  | 90         |
|    | Distinction between a tax and a penalty  | 91         |
|    | Distinction between a tax and a fee for services (s 53)                        | 94         |
|    | Grants power (s 96)  | 97         |
|    | Early cases dealing with Grants Power  | 97         |
|    | The Uniform Tax Cases Section 96 and constitutional limitations                | 98         |
| 10 |  | 101<br>103 |
| 10 | Inconsistency between Cth and State Laws (s 109)                               | 103        |
|    | Basic principles of inconsistency Test of inconsistency                        | 103        |
|    | Simultaneous obedience test  | 103        |
|    | The conferral of rights test   | 104        |
|    | Test for covering the field  | 105        |
|    | Relationship between tests (inconsistency)                                     | 106        |
|    | Operational inconsistency  | 108        |
|    | Concurrency (inconsistency test)   | 109        |
|    | Manufacturing inconsistency – 'covering the field'                             | 110        |
|    | Retroactive laws and the purpose of s 109                                      | 115        |
|    | Covering the field: steps to resolve a case                                    | 118        |
|    | Covering the field – step 1  | 118        |
|    | Covering the field – step 2  | 118        |
|    | Covering the field – step 3  | 119        |
| 11 | . Federal Compact – Melbourne Corporation Principle                            | 120        |
|    | Background to the Federal Compact  | 120        |
|    | Later attempts to clarify Melbourne Corporation Principle                      | 122        |
|    | Limitation on scope of Melb Corporation principle                              | 124        |
|    | Second restatement – as one principle  | 126        |
| 12 | . Freedom of Interstate Trade and Commerce                                     | 131        |
|    | Early approaches (Freedom of Interstate Trade and Commerce)                    | 131        |
|    | Individual rights theory   | 131        |
|    | Freedom of Interstate Trade and Commerce – POST COLE                           | 136        |
|    | The state of the law (Freedom of Interstate Trade and Commerce) at present     | 143        |
| 13 | . Freedom of Political Communication   | 144        |
|    | Main issues in the Freedom of Political Communication                          | 144        |
|    | Implications (Freedom of Political Communication)                              | 144        |
|    | Implied freedom of political communication (IFPC) and common law of defamation | 149        |
|    | Post-Theophanous cases   | 151        |
|    | Lange v ABC (1997)   | 152        |
|    | Cases post-Lange v ABC   | 153        |
|    | McCloy v NSW   | 156        |

| Changes to old tests based on McCloy decision            | 156 |
|--|-----|
| Breaking down McCloy decision                            | 157 |
| Brown v Tasmania (2017)                                  | 158 |
| Arguments in favour of structured proportionality        | 158 |
| Criticisms of structured proportionality                 | 159 |
| 14. Judicial power and detention                         | 160 |
| Relevant broad principles (Judicial power and detention) | 160 |
| The incompatibility doctrine                             | 162 |
| Extension of incompatibility doctrine to the States      | 163 |
| Preventative detention cases                             | 165 |
| Immigration detention                                    | 172 |
| Detention under control orders                           | 177 |
| Emerging principles (judicial power and detention)       | 180 |

## 1. Background to the Constitution and overview of FCL

- "The Australian Constitution is a product of a particular political moment best described as the push towards federalism – which circumscribes the framers' choice about how to achieve these goals, gives the constitution its basic identity and structures future constitutional development."
- Constitution originally an imperial statute through which self-governing colonies agreed to subject themselves to a new political entity the Commonwealth

#### o Purpose:

- To organise and channel governmental power so that it can be harnessed for the good of the nation
- At the same time to check governmental power, so as to preserve individual freedom
- o Strengths: contribution to political stability; meaning determined incrementally over time
- Weaknesses: inability to adapt to post-WWII rights revolution and changing relationship of Cth and
   States (driven largely by economic imperatives in age of globalization)
- Almost half the provisions are devoted to the federal Parliament suggesting that it was the establishment and effective operation of *this* political institution that was the overriding preoccupation of the framers
  - Had little to say about State powers because those were known and could be assumed today, the Constitution's silence on State powers reflects the diminished status of the States in the Australian political system

### **Build up to federation and passing the Constitution**

- Push towards federation in late 19<sup>th</sup> century due to a desire facilitate co-operation on matters of mutual interest eg: intercolonial tariffs, protectionism and military concern
- Led to series of conferences building momentum for the federalist cause
- 1895-1898: Convention of premiers of the Australian colonies met to discuss an amended draft with added provisions re "responsible government". After ratification by 5 colonies (excl WA), the Bill was presented to British Imp. Parliament with a request to enact
- **1900:** Before Bill was passed, imp. Government inserted the right to appeal from the High Court to the Privy council on constitutional matters concerning the limits of the powers of the Cth or States could not be curtailed by parliament --> Commonwealth of Australia Constitution Act was passed by British Parliament in 1901.
- 1901: Commonwealth of Australia was officially established on 1 January 1901

### Statute of Westminster and the Australia Acts

Although Federation in 1901 is widely regarded as Australia's moment of "independence" from Britain, legally
the Cth was a creation of the British Parliament through the Commonwealth of Australia Constitution Act 1900
(Imp), which applied to Australia by paramount force, therefore Australia was still legally just a self-governing
colony of the UK and there was continued uncertainty as to the applicability of British Imperial Laws to the
Cth.

- 1942 (Statute of Westminster 1931) Adopted by the Cth in 1942, the Statute of Westminster freed the Dominions, including the Commonwealth of Australia, from imperial restrictions and removed nearly all of the British Parliament's remaining authority to legislate over the Cth. This is when Australia truly became a de jure sovereign nation
- Australia Act 1986: in addition to ending the British Parliament's power to legislate over Australian states, the
  Australia Act also severed the last avenues of appeal from the Australian courts to the Privy Council. As of
  then, the only way in which the Constitution can be amended is via the referendum mechanisms (notably s
  128).

#### Main features and influences

- **Federalism** both to channel and check power (ensures federal govt is strong enough to promote interests of a nation as a whole, while allowing for regional innovation and dispersal of power between Cth and States)
- **Responsible government** both to channel and check power (government by party enjoying majority support, and thus capable of taking nation with it, but responsible to electorate via Parliament)
- Separation of judicial power at federal level, but less so at State level

| American influence                               | UK influence                                    |  |
|--|---|--|
| Federalism with enumerated Cth powers and        | Parliamentary sovereignty with rights protected |  |
| residual State powers                            | through CL and statute                          |  |
| HC with power to strike down legislation for     | Responsible government                          |  |
| incompatibility with Constitution                |   |  |
| Separation of powers (but less absolute than US  | Representative government                       |  |
| system – eg s 64 provides that federal ministers |   |  |
| must be members of Parliament)                   |   |  |

But two aspects of the duality of our Constitution are at odds:

- 1. Cth Prime Minister and Cabinet are responsible to people via need for support in House of Reps (ie representative govt)
- 2. But power is also constrained by Senate and State govts, over whom only relevant State electorates exert control

NB\*\* the two aspects can be theoretically reconciled by strengthening Cth powers (so that electorate disciplines the most powerful govt in country) or by strengthening State power (disciplined by regional electorates)

WW1 exerted external pressure in favour of strengthening Cth powers vis-à-vis States that has continued ever since  $\rightarrow$  HC's interpretation of Constitution since has also tended to support this trajectory.

Key Q: whether the HC's interpretation was influenced by these external pressures or whether strengthened Cth powers was the internal logic of the Constitution all along (or a bit of both)