



PRIME MINISTER

PRESS STATEMENT
19 November 1974

The Prime Minister, Mr Whitlam, released the following statement when he left Amberley late last night to return to Canberra. He had spent four days of intensive campaigning for the Queensland State election.

The Bjelke-Petersen Government is cheating Queenslanders of the benefits of increased Australian Government funds for education, housing and local government. It is cutting back its own expenditures in areas where the Australian Government has given more money.

Not only has the Bjelke-Petersen Government deprived Queenslanders of \$50 million in Federal funds by refusing to co-operate on growth centres and land commissions. It has effectively deprived Queensland of millions of dollars worth of extra money for essential community services.

The Queensland Government has shown itself mean and devious in its financial allocations. The more my Government is prepared to spend on essential social purposes, the less Mr Bjelke-Petersen is willing to spend.

The Queensland Government accepted a \$16,500,000 supplement for education under the Karmel recommendations last year and then reduced its own expenditure accordingly. This year, despite a 16.3% increase in Queensland consolidated revenue, there is an increase of less than half that percentage in proposed education expenditures. This is happening while Queensland children are taught in corridors and on verandahs because of a shortage of classrooms.

This year we approved massive direct grants to local government totalling \$56 million throughout Australia, including just under \$9 million for Queensland. These grants will enable local councils to improve essential community services - roads, health centres, recreation facilities.

Yet the Queensland Government has been progressively reducing the percentage of local authority expenditure which it provides in subsidies from State revenue. At the same time the percentage of State Government spending met by money from the Australian Government has progressively risen.

Since 1956 the percentage of local authority expenditure met by the State has fallen from 6.23% to 4.94% and the percentage of State Government spending met by the Commonwealth has risen from 33.61% to 45.09%.

State subsidies on roads were reduced from 20% to 15% and subsidies on sports field and playground construction have been cut from 20% to nothing.

While the Queensland Government refuses millions of dollars from the Australian Government for land acquisition and development it is planning to cut its own expenditure on land development by 11%.

Despite greatly increased Federal grants for housing under my Government, Queensland is actually building fewer housing commission homes than Labor when it was last in office in 1957.

Despite all the advantages of economic development and despite financial assistance from Canberra, the State Government built last year only 1400 homes - 500 fewer than Labor's last total - and yet at the same time left unspent no less than \$12 million provided in housing funds by the Australian Government.

The most miserable cut back of all was Mr Bjelke-Petersen's decision to scrap the \$2,350,000 he had budgeted for State unemployment relief.

When my Government raised unemployment benefits Mr Bjelke-Petersen responded by abolishing his benefits altogether. He took it out on men and women who had lost their jobs. He took it out on their families.

Who can doubt Percy Tucker's claim that the Queensland Government has a vested interest in unemployment so it can attack the Australian Government and pass the buck to Canberra for all its failures?

The Prime Minister said that the very worst, the most cynical of all Mr Bjelke-Petersen's despicable actions was his deliberate downgrading of the double orphan benefit. Queensland once gave a \$12 benefit to orphans. When Labor came to power in Canberra we initiated a Federal orphan benefit of \$10. The combined State and Federal total would have given orphans a total benefit of \$22. And that would have been the least compensation we could give children who had lost both parents.

But what did the Queensland Premier do?

He immediately reduced the State orphan benefit by a total of \$10. He wiped out the effect of the Federal grant. He reduced the State orphan benefit to a miserly \$2.

Instead of orphans getting \$22, Mr Bjelke-Petersen ensured that they continued to get only \$12. Since that despicable, that heartless act of the Queensland Premier, the Australian Government has once more increased the orphan benefit by another \$5 to \$15.

I can only hope that the Queensland Premier's peculiar sense of non-co-operative miserliness does not prompt him to repeat his earlier shameful discrimination against Queensland's orphans.