

**PRIME MINISTER**

Press Statement No. 537  
30 July 1975

MEDIBANK AGREEMENTS

The Prime Minister today signed the Medibank hospital agreements under which the Australian Government will meet half the net operating costs of the public hospital systems of Victoria and Western Australia.

The agreements will be flown to Melbourne and Perth tonight for endorsement by the Premier of Victoria, Mr Hamer and the Premier of Western Australia, Sir Charles Court. The agreements are due to take effect from Friday 1 August.

The Prime Minister said the Australian Government's financial commitment to the States' hospital systems this financial year would be \$200 million for Victoria and \$78 million for Western Australia.

The State governments would meet similar amounts.

The Medibank agreements would ensure that everyone in those States was entitled to free access to standard ward public hospital treatment free of means test.

This restored the situation which was introduced by the Chifley Labor Government in 1947 and allowed to lapse under the Menzies Government five years later.

Apart from providing sorely needed funds for the public hospital systems, the Prime Minister said, the Medibank agreements would also reduce the charges for private and intermediate ward care in public hospitals.

Private hospital insurance contributions would also be reduced considerably because the Australian Government benefits of \$2 a day, under the old National Health Act, would be increased by \$16 a day.

The agreements signed today mean that four States have now entered the Medibank hospital plan.

The States of South Australia and Tasmania joined the plan on July 1. Negotiations are continuing for the entry of the remaining States of New South Wales and Queensland as soon as they accept the same arrangements as the other States.