



PRIME MINISTER

FOR PRESS

24 July 1979

TASMANIA: THESE ARE THE FACTS.

Mr. Lowe must indeed be desperate. He tries to use a routine letter from me following the Premiers' Conference to back up his weak electoral case. The letter mentioned such matters as changed Queen's Birthday holiday, Energy, the Sea and Submerged Land Act, and the arrangements that must come from these matters.

The second paragraph of my letter referred to a joint working party to make arrangements to replace the tax reimbursement guaranteed once the present guarantee runs out.

I said during the Premiers' Conference and after it that there would be such a working party. There is nothing new in that.

The third paragraph reaffirms the Commonwealth view that the present guarantee is far too generous, and that it cannot be replaced in its present form.

That was also said at the Premiers' Conference. It was said to the press outside. It was said in Hobart.

The present guarantee has resulted in an increase of 13 or 14 per cent this year over last year in tax reimbursement payments to the States.

This is an extraordinarily generous increase. It is not one which we should ask the taxpayers of Australia to underwrite just to subsidise an inefficient State Government.

How many taxpayers want the State Government to spend 14 per cent more of tax revenue each year, year after year? Such an increase would have to be paid for by the taxpayers of Australia.

On that basis, taxes would clearly go through the roof.

It can't be sustained.

For a Premier to want it would mean he was encouraging gross extravagance.

We know Mr. Lowe has been totally inefficient within his own administration so he probably needs the extra money to cover up those inefficiencies.

In fact, one essential reason for the tightness in the loan funds was the generosity of the Commonwealth in taxation reimbursements. If the increase in these tax reimbursements has not been so great, then clearly loan funds could have been larger.

Mr. Lowe launched the election on a false basis, 18 or 19 months before time. From the start, the campaign has gone badly for him.

When he was trumpeting around Tasmania pretending to protect the interests of that State, his domineering Deputy, Mr. Batt, was in Adelaide, destroying the interests of Tasmania.

Mr. Batt, as President of the Labor Party, has sold out Tasmania.

He supported moves which would make the Senate virtually impotent, and therefore destroy the capacity of the Senate to protect small States like Tasmania.

He supported moves which mean that Melbourne and Sydney alone could carry a referendum in Australia. The protection for the small States is totally destroyed under the Labor proposal.

It is a monstrous sell-out of the State of Tasmania and the Labor Party leaders should be ashamed of what they have done. Will Mr. Lowe now disown Mr. Batt and what he has done? If not, why not?

Mr. Batt also directly participated in moves that would place trade unions totally above the law.

We've had too much of trade unions seeking to dictate to this country over the last few weeks.

Mr. Batt supported moves which would make it easy for unions in the name of industrial action, to do anything they like, no matter how damaging to the people of this country, and the law would not be able to touch them.

The Party of which Mr. Batt is President has taken all support away from the industrial tribunals. This is the greatest possible backing for industrial anarchy.

How can Mr. Lowe pretend to be defending his own State when his chief Deputy is so busy selling out Tasmania?

Against Mr. Lowe's flights of fancy and his journeys into deception, my Government's record of firm support for Tasmania is clear and genuine.

The freight equalisation scheme is the base on which Tasmania's economic progress depends.

In one year, more than \$24 million was paid out to businesses under the Scheme. Total payments have exceeded \$62 million.

The Callaghan Report, initiated by my Government, provided the most thorough review yet of the Tasmania economy. It recognised Tasmania's special problems and the Commonwealth Government has acted with determination to deal with them.

As we have made plain, there will be further action taken under the Callaghan Report.

In terms of general financial assistance the Commonwealth has maintained much higher payments per head to Tasmania than to any other State. In 1978/79 Tasmania received \$1,209 per head of population as against Victoria's \$686 and Western Australia's \$962.

This means that since 1976/77 the advantage to Tasmania in terms of payments per head stands at around 58 per cent more than the average to all States.

In addition, through our considerate policy planning directly, or Commonwealth initiatives closely related to it, Tasmania received, in 1978/79, special Commonwealth assistance of approximately \$40 million.

Already a number of recommendations have gone ahead approving projects by the Decentralisation Advisory Board. These include considerable help for the tourist and fishing industries, which are vital for the economic life of the State.

Additionally, the \$8 million Antarctic Division is being set up in Kingston, and a five-year plan to help the hardwood forestry industry is underway.

The Maritime College at Launceston is the only new tertiary institution under construction.

All that Labor's policies can offer is more centralism, more Canberra control, bigger Government and more taxation.

These are the facts which Mr. Lowe tries to hide.

The people of Tasmania have been cheated and misled by their ALP State leaders long enough. They deserve to be told the truth.