



## PRIME MINISTER

FOR MEDIA

19 February 1984

The Prime Minister said today that Queensland taxpayers would be forced to foot the bill for Mr Bjelke-Petersen's bloody-minded refusal to sign the Medicare agreement. Queenslanders who have kept some private insurance are already paying an extra \$1.10 a week because of Mr Bjelke-Petersen's folly. The Queensland Government cannot stand the loss of \$6 million a month in Medicare funding, and they will soon be forced to significantly increase State Taxes if they persist in not signing.

I have left the door open for Mr Bjelke-Petersen to sign now without financial penalty to the State, but if he doesn't reconsider shortly then Queensland will lose out just as it did in 1975. Mr Bjelke-Petersen signed two months late then and Queensland lost \$14 million because of the delay.

Mr Bjelke-Petersen claims he is fighting for a better deal for Queensland, but his track record is very bad when it comes to health funding. As well as his 1975 fiasco, there was scarcely a whimper when Mr Fraser reduced Queensland's health grant by \$100 million a year in 1981. When my Government offers a \$73 million annual increase in hospital funding he refuses because he claims it isn't enough.

The Queensland Government concedes that it will be better off under Medicare. The simple truth is that Mr Bjelke-Petersen is playing politics at the expense of the Queensland taxpayer. As many Queenslanders have already found, Medicare is of substantial benefit to the average person, and Mr Bjelke-Petersen also knows that it will be of great benefit to State Government finances. He may think that he can squeeze more money out of the Federal Government through this bluff, but I have examined the situation thoroughly and I am sure that Queensland is receiving a fair and reasonable deal. If the State Government thinks differently it can take the matter to the Grants Commission, but it is now time for Mr Bjelke-Petersen to reconsider and sign before all Queenslanders suffer unnecessarily as a result of his actions.