MR. CALWELL’S PROMISES

Malcolm Fraser said at Caramut -

As has been the usual practice with Labour Policy speeches Mr. Calwell's speech included many promises which would cost a great deal of money. Mr. Calwell himself placed the cost at £200M. a year, and he listed the items that would cost this amount. This wasn’t really playing fair with the Australian taxpayer because if you go carefully through Mr. Calwell’s policy speech you would find many items which would cost money but which weren’t included in his list of costs. If these are added up they could cost an additional £200M, making £400M in all.

Mr. Calwell said he would get the money for these promises from loans, but the Government has already sought all the loan funds it can and Mr. Calwell would only get the money from loan funds if he raised the general rate of interest or if he compelled investment in Commonwealth loans. Neither of these practices would be in Australia's interests. He then said he would get it from the natural increase in Commonwealth revenue. He forgot however that this natural increase in Commonwealth revenue funds is pre-empted for increased expenditure for payments to the States for roads, schools, hospitals and many other things. This is because an expanding population demands a greater expenditure. Financial agreements with the States allow for an increased expenditure year by year. In addition, each year there are more and more people of a pensionable age, therefore without any increase in pension the sums to be provided grow.

Mr. Calwell can’t spend these natural increases in Commonwealth revenue on the things for which it is pre-empted and also on his new promises. He would have to look for other sources of revenue which he did not and of course would not mention. One would be straight out inflation and the other increased taxes.

As soon as he heard Mr. Calwell speak, one noted Canberra correspondent immediately said that many taxpayers would be getting an increased tax bill which would be greater than the benefits that may come from Mr. Calwell’s promises.

Mr. Calwell doesn’t seem to realise that politicians can’t act like Father Christmas, bringing us all presents that nobody has to pay for.

In case anyone feels that the Government has entered into competition with the Opposition on new proposals, let me put the whole matter into perspective by pointing out that of the promises made by Mr. Calwell one alone would cost many millions more £’s than the proposals put forward by the Prime Minister. The Government’s proposals were clearly modest in their cost, they were nevertheless especially selected to be of great value to the people they are designed to help. The Prime Minister put their total cost between £52M. and £53M. whereas, as I said, Mr. Calwell’s promises would cost about £400M. The Government’s proposals are sound and practical, Mr. Calwell's are not.
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