

Queensland 1981 – Background document

Background to the release of the 1981 Queensland Cabinet Minutes

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Social and economic data

By the end of 1981, Australia's population had reached 15 054 117. Queensland's population by the same time had risen to 2 387 943, an increase of 3.6%, or 86 241 people, from 1980. The population of Brisbane was estimated mid-year at 1 096 200, which represented 46.7% of the total state figure; Gold Coast City was still the next largest centre with 104 910 residents.

For the 1980-81 financial year, Australia experienced GDP growth of 3.4% while Queensland's economy grew by 14.8% (bettered only by Western Australia and the Northern Territory). Over the year, the standard variable housing loan interest rate rose on three occasions, increasing from 11.5% p.a. in January to 12.5% p.a. in December.

The state's unemployment rate decreased from 7.0% (or 70 300 jobless) at the start of the year to 6.4% (69 000 jobless) in December, averaging 5.9% over the year. This compared slightly less favourably to a nationwide average jobless rate over the year of 5.8%.

Industrial disputes were again a concern for both the state and federal governments in 1981. Nationwide, there were 2915 strikes affecting 1 251 800 workers over the course of the year. Queensland experienced 334 major work stoppages involving 113 600 workers. These strikes resulted in 465 800 lost working days in Queensland, equating to \$27 490 000 in lost wages.

Mid-year, the state weekly basic wage was \$97.10 for males (a rise of \$10.30 from the previous year) and \$78.20 for females (up \$8.30), following a blanket 3.6% wage increase awarded in May. The basic wage also attracted an additional weekly remote area allowance of up to \$3.25. The guaranteed minimum state weekly award wage was \$145.60, an increase from the year before of \$10.10, or 7.5%. For the 1980-81 financial year, the state average weekly earnings for males was \$269.80 (a rise of \$35.40, or 15.1%), compared to \$281.40 nationally.

Public sector wages remained largely static over the course of the year, until the State Industrial Commission increased award wages from late November. For the most part, first-year registered nurses were paid \$217.40 per week (or \$11 345 per annum), while first-year police constables were paid \$448.40 per fortnight (\$11 700 per annum). Teachers' wages were subject to further arbitration decisions, which saw three-year trained, first-year school teachers paid \$482.90 per fortnight (\$12 600 per annum).

The Consumer Price Index for the 1980-81 financial year rose in Brisbane by 9.3%, slightly less than the CPI increase in the weighted average of all state capital cities for the year at 9.4%. The national rate of inflation eased to 8.8% mid-year, thanks in part to an increase in lending interest rates. In Brisbane average retail prices for staple items included: bread at 65c per 680g loaf; sugar at 46c per 1kg packet; flour at 51c per 1kg packet; butter at \$1.22 per 500g tub; milk at 34c per 600ml bottle; cheese at \$1.42 per 500g block; eggs at \$1.48 per dozen carton; pre-cut meat at \$5.95 per kilogram for rump steak; beer at \$1.04 per 750ml bottle; and petrol at 36.3c per litre by the year's end (continuing a steady rise despite the Commonwealth's mid-year introduction of the Petroleum Products Pricing Authority). In May, the Minister for Main Roads, Russ Hinze, declared that car registration fees would increase by as much as 60%, raising annual on-road costs for a four-cylinder passenger vehicle to \$129.10. [*The Courier-Mail*, 27 May, p. 1] *The Courier-Mail* this year raised its price from 15c to 20c a copy.

Weather patterns

The year was barely a month old when heavy rains in the Darling Downs region caused flooding described as 'the worst in memory'. Hardest hit were the towns of Dalby and Chinchilla, where thousands of residents were evacuated after homes and properties were inundated for several days. The multi-million dollar damages bill prompted the Leader of the Opposition, Ed Casey, to call for the introduction of comprehensive, 'all-risks' household insurance policies in Queensland. ['Floods spread: man drowned', *The Courier-Mail*, 9 Feb., pp. 1, 3; '\$20M mop-up', 10 Feb., pp. 1, 3]

The year's most significant cyclone event came later that month, when severe tropical cyclone Freda tracked across Cape York Peninsula. Making landfall roughly 65km north of the Edward River Mission late in the evening of 24 February, the system brought downpours of up to 260mm over the next 24 hours as it headed towards the east coast. Babinda, Innisfail and Tully bore the brunt of the torrential rainfall, which caused flooding in coastal rivers north and south of Cairns. [*The Courier-Mail*, 26 Feb., p. 1; 27 Feb., p. 1; 'Coastal relief as Freda turns away', 28 Feb., p. 1]

Despite such sporadic incidences of unusually heavy rainfall, hot and dry weather was the norm for much of the state as drought conditions continued throughout the year. In January, the shires of Isisford and Barcoo in the state's south-west joined 27 other shires already declared drought-stricken, recording summer rainfall between 70% and 80% below the average. ['Rain needed to save grain crop', *The Courier-Mail*, 29 Jan., p. 10]

Notable events

The Prime Minister, Malcolm Fraser, announced in late January that Queensland's senior jurist, Sir Harry Gibbs, would succeed Sir Garfield Barwick as the eighth Chief Justice of the High Court of Australia. Sir Harry's appointment, after having served on the High Court bench since 1970, was fully endorsed by the state government. ['Gibbs will head court', *The Courier-Mail*, 30 Jan., pp. 1, 4]

On 10 February, Townsville's new international airport terminal was officially functional when it welcomed the arrival of a Qantas Boeing 747 flight direct from Honolulu. Townsville was the first regional, non-capital city in the country to operate its own international airport. In mid-year, the new terminal at the Gold Coast's Coolangatta airport was officially opened by the Deputy Prime Minister, Doug Anthony, and named the 'Eric Robinson Building'. [*The Courier-Mail*, 2 Jul., p. 1]

On 26 October, the Great Barrier Reef was added to UNESCO's World Heritage List, making it the second Australian entry to be so inscribed after Kakadu National Park. The World Heritage Committee counselled the state and federal governments to end their bickering and promptly declare the Barrier Reef in its entirety a protected marine park area. [*The Courier-Mail*, 27 Oct., p. 3]

Political events

In a year of surprising and sometimes questionable decisions, perhaps none was as startling as the government's announcement that it would allow the establishment of international casinos in two locations at either end of the state. Not so surprising to some observers was the appearance among the short-listed applicants of names that were known to have had lucrative prior dealings with the government. Despite the cries of favouritism from the Labor Opposition, the six bidders short-listed from 29 initial applicants were investigated by Interpol at the government's request, and an anti-lobbying edict was issued to prohibit any 'untoward' approaches to Ministers. While poker machines would be banned from the casinos, the government still expected to reap \$15 million in tax collection (including \$13 million from the Gold Coast operation alone) annually. ['Gold Coast dominates casino bids', *The Courier-Mail*, 4 Aug., p. 3; 7 Aug., p. 2; 9 Oct., p. 3; 13 Oct., p. 1]

Ironically, on the day when delays in the awarding of casino licences were revealed, a report surfaced that three men named in parliament by Labor MP Kev Hooper – Luciano Scognamiglio and brothers Gerry and Tony Bellino – denied any links to underworld prostitution and gambling rackets. Only the day

before, the Minister for Police, Russ Hinze, had rejected Hooper's claims that police officers and politicians were involved in such operations; he'd even asserted that anyone who claimed that illegal casinos and brothels operated in Brisbane's Fortitude Valley was 'a liar'. Funnily enough, several of the press reporters he put this claim to ventured that they had visited such establishments themselves. [*The Courier-Mail*, 14 Oct., p. 1; '3 deny Mafia claim', 15 Oct., p. 1]

On top of these developments, the government's decision to award the Winchester South coal mining rights to a consortium including the private company of Sir Leslie Thiess raised serious questions over tendering processes and Cabinet decision-making. This was especially the case after details of the consortium's 'modest' winning bid were made public, and that only after someone from within Cabinet leaked the documents in question to the Opposition. After an understandably sceptical reaction from many quarters – presumably including the unsuccessful bidders – Cabinet tried to save face by pressing for an inflation-indexed 'resource levy' on the BP-led consortium. The bid winners, however, stood their ground and the proposed inflation stipulation was later retracted from the contract specifics. [*The Courier-Mail*, 10 Mar., p. 1; 'State gives way on levy', 24 Mar., p. 1]

Early in the year, Liberals leader, Dr Llew Edwards, advanced the idea of a ministerial code of conduct for his Cabinet colleagues. Modelled on a scheme that British Prime Minister, Margaret Thatcher, had implemented earlier, Edwards had gone to the recent state election promising to take action on government Ministers' perceived conflicts of interest. The proposal, however, was promptly dismissed by the Premier, Joh Bjelke-Petersen, who asserted that 'no code, written or otherwise, can make any man honest if he has not lived that way all his life'. ['Joh rejects ethics code', *The Courier-Mail*, 22 Jan., p. 3] Shortly afterwards, Russ Hinze – who reputedly owned one of the largest horse racing stables in Queensland – assumed responsibility for administering the state's racing industry. One of Hinze's first actions was to suggest that SP (or 'starting price') bookmaking be legalised, so as to 'capture' the reported \$200 million that passed unnoticed in SP betting in Queensland annually. ['Hinze is 'open' on SP bets', *The Courier-Mail*, 27 Jan., p. 3]

Late in the year, Hinze faced the censure of Opposition MPs and several members of the Bar Association of Queensland over the alleged 'covering up' of a drink-driving incident involving Sir Edward Lyons, whom Hinze had earlier appointed Chairman of the TAB. When Kev Hooper revealed details of what had supposedly transpired when Lyons was detained by police late on a Friday evening – including rumours of a phone call from a high-ranking police officer advising his junior officers to forego laying a charge against Lyons – calls for an inquiry ensued. Hinze, predictably enough, rejected such calls outright. ['TAB chairman: Hinze rejects inquiry', *The Courier-Mail*, 21 Dec., p. 1]

The Premier came in for a sustained barrage of criticism, in particular over his inflexible attitude towards Aboriginals and the land rights question. This attitude was brought into sharp relief mid-year when, as the Premier was advocating restricted, long-term leases for Aboriginals on reserve lands, the World Council of Churches (WCC) compiled a report on the living standards and conditions of Australia's Indigenous peoples. The report flatly accused the government (and that of Western Australia) of racism towards its Indigenous population, denying them basic resources and their rights to the land on which they lived. Bjelke-Petersen met this criticism staunchly defiant, and thereafter declared that no government agency or representative would have any contact with the WCC or its Australian affiliate. Subsequently, Aboriginal land councils warned that the land rights campaign would likely disrupt the staging of the following year's Commonwealth Games. ['Joh scorns talks with world churchmen', *The Courier-Mail*, 5 Jun., p. 3; 6 Jul., p. 3; 28 Nov., p. 2]

These matters alone were enough to place uncomfortable strain on the Coalition partners, but additional stresses impacted upon the fragile bond at different times. The year began adversely and rather unfortunately when the sitting member for the federal seat of McPherson on the Gold Coast, Eric Robinson, died of a heart attack. Coalition wrangling over the ensuing by-election contest started almost instantly, with the Premier and the Prime Minister notably trading blows on the campaign trail for their respective parties' candidates. ['Ex-Minister dies after heart attack', *The Courier-Mail*, 8 Jan., p. 1; 'Sparks will fly, says McMahan: Fight begins for McPherson', 9 Jan., p. 1]

At the state level, it was the impending retirement of the Chief Justice of Brisbane's Supreme Court, Sir Charles Wanstall, which showed growing cracks in the Coalition façade. Customary practice held that the Attorney-General provided recommendations for a replacement to Cabinet, based on the line of seniority among serving judges. However, on this occasion the Premier saw fit to refuse Sam Doumany's proposal for the new Chief Justice. Doumany, who also happened to be the Liberal Party's deputy leader, put forward the name of Mr Justice Douglas, but Bjelke-Petersen made it clear that his preferred candidate was Mr Justice Andrews, who was otherwise well down the order of seniority. With neither willing to accommodate the other's suggestion, the matter was deferred until early in the following year; not, however, before several more 'shots' were fired. Doumany, for his part, went so far as to signal that the stability of Cabinet – and the future of the government – rested on how the decision was handled. ['Joh warned over judges', *The Courier-Mail*, 24 Nov., p. 1; 22 Dec., p. 1; *The Sunday Mail*, 27 Dec., p. 5; *The Courier-Mail*, 29 Dec., p. 3]

The pressure of maintaining the Coalition partnership almost took a 'fatal' toll on the Liberals leader near the year's end, when stirrings for a leadership change brought forward a rival for Edwards' position. Acting pre-emptively, the Deputy Premier brought on the spill motion himself and declared his position vacant. Before the 'young turk' Angus Innes – who had only been in parliament since the Sherwood by-election of November 1978 – could properly coordinate his numbers, Edwards managed to stave off Innes' audacious lunge for the Liberal leadership. In the midst of the number-crunching, the watchful Premier declared that he wouldn't work with Innes, apparently an 'anti-coalitionist', in any event; supposedly, contingency plans were in hand for the Nationals to rule as a minority government. ['Challenge to Edwards' leadership', *The Courier-Mail*, 2 Dec., p. 1; 'Libs' vote stops Joh's solo plan', 3 Dec., p. 1] Edwards' ballot win, narrow as it was, came at some cost – the party's state director, Stephen Litchfield, resigned from his post days later to take up the corresponding position with the NSW Liberals. [*The Courier-Mail*, 5 Dec., p. 1]

Australian Labor Party leader Ed Casey did not have things all his way either. After surviving a challenge early in the new year from a similarly younger aspirant in Keith Wright, the Member for Rockhampton, rumblings emerged in the party that a leadership spill could be called around the time of the mid-year Labor state conference in Brisbane. On cue, a spill motion was moved at the conference by former party leader Tom Burns, but the motion was easily defeated. This move was more or less the product of caucus restlessness prompted by the party's sliding fortunes in the polls. ['Joint move to oust Casey', *The Courier-Mail*, 3 Jun., p. 1] Without an obvious alternative to Casey's stoic but 'uninspiring' leadership, the party was willing to remain supportive, for the time being at least. Interestingly, the Labor conference threw up a new state party secretary in the person of Peter Beattie, to join the recently appointed state president, Dr Denis Murphy, as frontrunners of the party's 'new guard'. ['Murphy group takes firm ALP control', *The Courier-Mail*, 2 Jul., p. 2]