



**PRIME MINISTER**

FOR PRESS

26 March 1978

I have again written to State Premiers regarding the adoption by the Australian Loan Council of proposed new guidelines for the Council's consideration of proposals for special addition to the semi-government borrowing program and for overseas borrowings by statutory authorities.

In responding to my earlier letter, some State Premiers had balked at the suggestion that the voting arrangements on proposals put to the Council should be a simple majority including the Commonwealth.

In suggesting this arrangement, the Commonwealth is conscious of the need to make the proposed new guidelines as flexible as possible while, at the same time, ensuring they are consistent with the Commonwealth's responsibility for national economic and financial management.

I have pointed out to the Premiers the importance at this stage of exploring as soon as possible these new arrangements which will be of great benefit to Australia. I suggested that those Premiers who wished could submit proposals for additional borrowing authority for Loan Council consideration. I urged them to take up the proposition advanced by the Commonwealth and submit projects which they considered to be of significance to the economic development of Australia.