

PRESS CONFERENCE: FOLLOWING CABINET MEETING

Prime Minister

I think we all know that the Kurnell Refinery dispute, which is going to cause enormously severe disruption in N.S.W. and possibly beyond that, has arisen out of divided industrial jurisdiction in N.S.W. itself. There is now a Federal award covering the industry. The State Branch of the AWU wants to break away from that and re-establish the authority of the N.S.W. Industrial Commission. There have been a number of arguments about this particular case. The Tribunals have met on a number of occasions and the umpire's verdict to this point has in fact been given -- supporting the Federal jurisdiction. I believe that overwhelmingly there is support for one jurisdiction in this industry. It makes no sense at all to have a divided jurisdiction which can only lead to additional disruption. Indeed, if there had never been more than one jurisdiction this particular dispute now would not be with us. It's origins lie in the divided jurisdiction. But there is certainly no sense, whether it is within N.S.W. or within Australia, in having the oil industry subject partly to a Federal jurisdiction and partly to a State jurisdiction. Therefore, the Federal authority, ought, I believe, be upheld very strongly indeed. It is worth noting that the N.S.W. Government is using its emergency powers to ration petrol. It is not using its emergency powers to try and achieve a resumption of work and that I think is very significant. It is also significant that N.S.W. is being held to ransom in this way as a result of the dispute by about 400 people and 400 people who are certainly not amongst the lowest paid throughout the Australian community. I think, as I have said on other occasions, that if Premier Wran could only say in forthright terms that he supported the Federal jurisdiction - or if he didn't want to say that to say that he supported the umpire's decision in relation to this matter - that at least part of the problem would tend to be overcome; because there has been a view, widely shared throughout the industry, as I understand it, that the N.S.W. Government gives tacit support to the State AWU in trying to break away from Federal jurisdiction. There is a meeting tomorrow between Sir John Moore and the Chairman of the N.S.W. Industrial Commission. I applaud the fact that that meeting is taking place. I would hope that it will be able to resolve the matter. But again, as I am advised, Sir John Moore will be seeking to uphold Federal authority and jurisdiction because in the longer term this is regarded as important for the industry itself. If N.S.W. is in a very difficult position, it would probably depend upon the other States being able to use their own emergency powers if any additional supplies of petrol were to be diverted to N.S.W., because there is no surplus available, as we are advised this afternoon. Whether other States would be prepared to run short themselves to assist N.S.W. in this situation is a matter that clearly they would have to consider.

Prime Minister (continued)

The Commonwealth is very much concerned at the problems arising out of this particular case; not just for the present, not just for the severity and the harm and the damage which will come as a result of the selfishness of 400 people in the State Branch of the AWU. Very often, people believe that the Commonwealth has power to resolve a matter. Very often they believe we have power to intervene in a matter when in fact our own constitutional power is limited and when it is within the hands of a State Government, as indeed, both the Kurnell dispute and the Western Australian dispute are on this occasion. Against this background, against the additional problems that are so often with us as a result of divided jurisdiction - State and Commonwealth - we are prepared to re-examine the basis of our industrial framework right from the beginning, from its very fundamentals. We are therefore going to put ourselves in a position of having discussions with the States, with employer organisations, and with the trade union movement - with the Australian Council of Trade Unions - to see whether or not any consensus can be reached about the advisability of the States referring, even if only for a trial period, their industrial powers to the Commonwealth. Now, I don't suggest for one moment that that would end all disputes, but I do believe it would end a significant cause of a number of disputes when people in the same industry, but under different industrial jurisdictions, seek to capitalise on the best in both awards and there is a leap-frogging process set in train -- and an attempt to get into the jurisdiction that may offer the highest payments for a particular industry. This matter, because it is a very significant decision even to embark on this particular discussion with the States, with the ACTU and with employer organisations, has been discussed with the Minister for Industrial Relations, Tony Street, during the course of the afternoon. He is fully in accord with the approach that is adopted. Quite clearly, this doesn't offer any immediate solution to the current situation, But I hope it will offer a productive basis for discussions in a reasonable and rational way between the Commonwealth and the States, employers and the trade union movement in seeking to improve the basis of industrial relations within this country.

I should emphasise that no decision has been taken that the Commonwealth wishes to pursue a particular course. We want to examine the whole matter from its very fundamentals, with the parties that are involved to try and come up with a much better solution than that which we now have. We would want to achieve a maximum rationalisation, if possible single authority, at least for a trial period, that could well involve a referral of power by the States - but again, it could be for a trial period.

Quite plainly, these are substantial matters and this alone would make it worthwhile listing industrial relations as an issue for discussion at the next Premier's Conference. The Commonwealth will be doing that.

If I could turn now to the day of national protest - the resolution passed by the Australian Council of Trade Unions - and to the situation that has arisen over activities in Western Australia. The Government has looked at this matter and it has

Prime Minister (continued)

looked at the Australian Council of Trade Unions resolution and is very firmly of the view that this is a vast over-reaction to a particular matter which the Premier of Western Australia had in any case said was under review; that the application of the Police Act or that section of it would be under review by the Western Australian Government. It is well known that there is a general review going on of Western Australian industrial legislation. Against the background of that to cause a day of national protest to lead to disputes and difficulties, maybe going far beyond what might happen on Thursday, is an over-reaction which can do enormous damage to Australia, enormous damage to the trade unionists involved. I don't believe for one moment that the Australian Council of Trade Unions believes that their right to assembly and their right to organise and all the rest is threatened; because these things are deeply embedded within Australian society. Nobody offers any threat to that whatsoever.

But how can we proceed with the task of continuing with the anti-inflationary battle? How can we proceed with the task of providing greater employment opportunities for people right throughout this continent; how can we proceed with the task of strengthening the Australian economy when a resolution with potentially such damaging consequences was passed by the Australian Council of Trade Unions as they passed this afternoon?

We all know that trade unions have great power, but this must be one of the most irresponsible uses of that power that Australia has ever seen.

In Western Australia, whatever one may think of the particular dispute - and there are differing versions of the facts, I make no comment about that, that will come out in the court itself, in the Magistrate's Court - but the dispute in no way justifies the action, the reaction, that has occurred. I think it ought to be understood that something is said about the current industrial climate by the fact that the AMWSU and one or two other significant unions have already - much earlier, before this ever arose - made a decision to have a national stoppage of their own unions on Thursday to support wage claims. That had nothing to do with Western Australia. It hadn't then arisen. Against that background it ought to be noted that the cause, the purpose of the stoppage, has obviously been altered. That in itself was a totally irresponsible act because there is an Arbitration Commission. There are industrial tribunals. We can only achieve some degree of industrial harmony and peace if we have a situation in which both employers and employees are prepared the verdicts that flow from those tribunals. There is no need to try and strengthen an argument with industrial muscle. That adds nothing to the merits of the case and it does harm to the members concerned, the unionists concerned who lose wages. It does harm to the industries and it jeopardizes the economic recovery within Australia.

Prime Minister (continued)

We need to understand that Sir Charles Court has said that this section of the Police Act will be reviewed and against that background Senator Durack will be having talks with his counterpart in Western Australia, Mr. Metcalffe who is I think at this moment travelling back from overseas. We are also asking Mr. Peter Nolan, from the ACTU and such other members of the ACTU Executive or officers as Mr. Nolan himself would wish, to come to Canberra first thing tomorrow morning for discussions with myself and other Ministers -- Mr. Viner obviously; Mr. Macphee. There might well be one or two others there in addition.

I think it is worth noting that the ACTU resolution not only calls a day of protest, whether there is a significance in the fact that they haven't called a national strike or not as such, but a day of protest which to this point does not necessarily involve all States or all unions. But going beyond that they have talked of a ban on the export of key commodities from Australia and if requested by Western Australian trade unionists, a selected blockade on Western Australia and then a number of matters are also involved in their resolution. But to elevate this incident in Western Australia to one in which they could contemplate a ban on the export of Australia's major produce, major commodities, or a selected ban on the whole of a State, can only cause irreparable harm to Western Australia, to the trade unions involved and to this nation.

I urge all employers on Thursday to keep their workplaces open and I also urge all trade unionists who are prepared to put this nation first to turn up for work. We will be contacting employer organisations through tonight and tomorrow seeking to make sure that they do have their places of employment open and provide the opportunity for those who do want to put Australia first and put this total irresponsibility aside.

Question

On the general question of industrial disputes. That (inaudible). Are you prepared to put that question to the people and if so...

Prime Minister

Let's take things gently to start with. If States were prepared to go along with our proposal, as I understand it, it would be possible for them to make a referral of powers available to us - if necessary, for a limited period perhaps. That might encourage greater involvement than would otherwise be the case. But, it is early days yet. - We are prepared to re-examine our total approach to these matters and at least remove one of the potential causes of grave dispute of the kind we have had at Kurnell. But I think if it was going to be successful it would need not only the goodwill of States, also the goodwill of sections, important sections, of the trade union movement. So we will need to be entering into a process of discussion on this particular matter.

Question

...would you like to see transferred to the Commonwealth.
What sort of powers?

Prime Minister

It's the powers that would basically give, provide, one industrial jurisdiction instead of two.

Question

Over all the unions, or just the unions which would be involved in the leap-frogging?

Prime Minister

Well, where you've got divided jurisdiction that leap-frogging process can always take place; if there is a divided jurisdiction in relation to a particular industry.

Question

What about industries where there is just one jurisdiction, say a State jurisdiction?

Prime Minister

Well I think there are very few industries that are confined to the boundaries of one State.

Question

So it would be all unions?...

Prime Minister

I don't think you really want to take this too far at the moment and try and get into the details of the many matters that will need discussions with the States. We all know that for a long while there have been difficulties because of the differences in jurisdiction between the State and the Commonwealth in relation to a number of important industries. That does not help the industrial climate in Australia. Now we are prepared to re-examine that from its very fundamentals and I hope that the States and the trade union movement would also be prepared to enter into that examination in good faith, in a realistic attempt to achieve a situation which can at least remove some of the causes of dispute from this nation.

Question

... (Inaudible)... it won't be ultimately necessary to do that (inaudible) whether the States agree or not?

Prime Minister

If you had the referral of powers from the States I think it could well not be.

Question

I understand that last - well I remember that last year you wrote to the various Premiers with respect to the leap-frogging problem - trying to get around this problem. What was the response from the various States and if any State (inaudible) how would you now overcome that problem?

Prime Minister

There has been a minimal response from the Premiers to that letter I sent after the last National Wage Case. But, the particular proposal that we have now put was not specifically placed before the Premiers at that time.

Question

What will this decision tonight - what effect will it have on getting petrol flowing in NSW.

Prime Minister

I indicated that this was a longer-term matter and it can't have an immediate impact on the Kurnell dispute which has flown out of a divided jurisdiction. There is a meeting tomorrow between the Chairman of the NSW Industrial Commission at 2:00 o'clock and Sir John Moore, I think that is a very useful initiative. I strongly believe that the Federal jurisdiction, the authority, should be upheld because otherwise the oil industry is going to be fragmented and I would hope that whatever comes out of that meeting will be supported. But what I put, have spoken of, this afternoon, this evening, is against the longer-term background of trying to establish an environment in which Governments can work more closely together to remove some of the causes of disputes in Australia.

Question

Have you had contact with Mr. Wran at all?

Prime Minister

No, I haven't. Our Cabinet meeting ended only relatively shortly before you came in and messages will be going to the Premiers as soon as they can be drafted in relation to that particular matter. But, I emphasise it obviously doesn't offer a solution to the present dispute.

Question

How soon would you wish these talks with the States to go ahead on the question of referral of powers?

Prime Minister

I have indicated that we will be listing the general question of industrial relations and this will obviously be a part to the Premier's Conference which is due to meet at the end of this month. So often, in the question of industrial disputes,

Prime Minister (continued)

and we have had two classic examples over recent days, NSW with NSW powers very largely under divided jurisdiction that is causing the problem, and in Western Australia it is a different cause, different circumstances, but again, disputes of the utmost severity coming out of Western Australia in which our powers for dealing with it are very limited indeed.

Question

You have yourself said earlier today that the Western Australian court case is very likely to be adjourned. Do you think it would be useful to be holding discussions on such a long-term important matter as the referral of powers, while obviously a dispute will still be going on in this particular area that you are talking about?

Prime Minister

But their Police Act - the States would still have their Police Acts. We are talking about powers in relation to industrial jurisdiction and that wouldn't alter or modify or affect in any way what the various states have within their various Police Acts. So that in a sense is a separate question. It is only relevant to the extent that the dispute in Western Australia has risen out of State causes and the Commonwealth has very limited capacity to do much about it. The general proposal that we have put about a referral of industrial powers is not one that probably could have affected that kind of situation. It could I believe have a very real relevance in the NSW situation. But what has happened in Western Australia just emphasises again that we can have very severe disputes. People often look to the Commonwealth for their resolution, they don't always see that the Commonwealth does not have the power, the constitutional right to intervene. While the causes are different, that happens to be true in a real sense in NSW at the moment and in a real sense in Western Australia.

Question

Do you see the contradiction, Mr. Fraser, between seeking more central Government power and the general philosophy (inaudible).

Prime Minister

No, none at all, because there are some things that a Commonwealth has to do. The Commonwealth has to be responsible by and large for the management of the economy. You can't de-centralise that. But I ought to emphasise that decisions have not been made. The industrial climate is one of great seriousness and we are prepared to sit down with the States and the Australian Council of Trade Unions to see whether or not we cannot, together, devise a better approach to these particular matters.

Question

On the question of Thursday's national protest, what will the Commonwealth's attitude to Commonwealth employees...will they not be paid?

Prime Minister

People who don't turn up for work certainly won't get paid. I would hope that nobody who doesn't turn up for work would get paid whether it is Commonwealth employment, State employment or private employment.

Question

That will apply to Commonwealth public servants or other...
(inaudible)

Prime Minister

To Commonwealth employees -- if they don't turn up for work they won't be paid. That's the normal rule that applies, there is nothing new in that.

Question

Will they be sacked?

Prime Minister

I think that's a different question.

Question

You have indicated that you are not happy with the steps Mr. Wran has taken in his emergency powers, what are you suggesting he should have done to get those men back to work?

Prime Minister

That's for him to decide under his own emergency powers. He does have very extensive powers. I pointed out he has used those powers for one half of the equation and not for the other half.

Question

Federal Government would use the other half?

Prime Minister

I think it's reasonable enough to wait until you see the result of the conference being held tomorrow afternoon. But after that if there is still no resolution, Mr. Wran might well need to consider using those emergency powers. He was certainly prepared to use emergency powers in the "Truckies dispute" sometime ago and passed special legislation of a fairly severe kind, as you would understand.

Question

In the unlikely event that the States did agree to this proposition to hand over powers to the Commonwealth, does the Federal Government have any industrial legislation in mind to introduce to give us more, wider powers, to handle industrial disputes in the Federal jurisdiction?

Prime Minister

The Commonwealth has significant powers in a number of areas. The Minister has proposals that will be being put to the Government very shortly when he returns from the International Labour Organisation meeting. The Arbitration Act is kept under pretty constant review. I think it has to be because it is a changing scene. Tactics, approaches, differ as time passes. It is one area where I think there is no perfect law which will stand for all time. It depends very much on the practices that are pursued. As one gains experience you see things that need modification or change.

Question

Then propositions will be put to Cabinet regardless of this latest (inaudible).

Prime Minister

There have been propositions that have been under examination partly by Cabinet committee and by the Minister and relevant departments over the last four or five months. They have been under examination quite separately from the issues that are before us at the moment.