



PRIME MINISTER

FOR PRESS:

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PREMIERS' CONFERENCE

Statement by the Prime Minister, Mr. William McMahon

During my recent absence overseas, it was proposed by the Premier of New South Wales - and supported by some other Premiers - that a special Premiers' conference be held to discuss the economic situation.

The Government has given full consideration to this proposal and I have forwarded letters to the Premier of New South Wales and all other Premiers advising them of this decision.

I have informed the Premiers that in view of the scheme being put in hand for Commonwealth Grants to the States for employment - creating activities in non-metropolitan areas, the easing of restraints on bank lending including the large reduction in the statutory reserve deposit ratio applying to the major trading banks, and the significant reduction in interest rates on Government securities, I believe it would be more appropriate to hold a Premiers' conference, as has been done in the last two years, during the month of February.

By then, of course, all parties will be in a better position to assess the impact on the economy of the measures that have already been taken.

Accordingly, I have suggested to the Premiers that the meeting be held about mid-February and I await from them their reaction as to the actual dates I have proposed.

CANBERRA,
17 December, 1971.