



## PRIME MINISTER

PRESS STATEMENT NO. 375

19 November 1974

The Prime Minister, Mr. Whitlam, today sent the following telegram to Mr. Barry Egan, Secretary, Australian Workers' Union:

"I send my congratulations on the decision by the shop assistant and other members of your trade union to respond positively to the Government's proposals relating to pay claims and the scheme for introducing cost of living adjustments. To your trade union, and to all union members, I confirm that the Government regards the recently announced cut in taxes as a step which - instead of a pay increase - will compensate employees for price increases in the current October-November-December period. For the following period the Government will support before the Arbitration Commission an automatic system of cost of living adjustments beginning with the consumer price index figure for March 1975. The Government's policy means that wage and salary earners will have their real purchasing power protected. In addition, pay claims based on productivity, technological change and other special factors can also be advanced by unions in arbitration. I suggest that this approach is in the interests of all employees and of the whole community.

Gough Whitlam".

CANBERRA, A.C.T.