

MELBOURNE
JANUARY 10, 1975.

The Acting Prime Minister and Treasurer, Dr. J.F. Cairns said today that he hoped soon to be able to meet State Premiers to discuss Commonwealth-State financial relationships, especially as they affected employment. Dr. Cairns was commenting on a statement by the Premier of N.S.W., Mr. Lewis, that 3000 State public servants faced dismissal because of shortage of finance.

He said he hoped that the planned discussions with the Premiers would be held in a responsible, non-political atmosphere.

"Mr. Lewis's statement indicates the degree of dependence State governments now have on the Australian government," Dr. Cairns said.

"I would have expected that if Mr. Lewis seriously thinks that he faces the dismissal of 3000 people he would have come directly to me and not to the Press.

"It is unreasonable for political pressure to be used to deal with a problem of this nature."

"I would hope that Mr. Lewis would prefer the sorts of discussions I now propose to communicating through the Press."

Dr. Cairns said that Australian government Treasury officials would meet with State Government Treasury officials in the next week or so.

He would meet State Labor leaders at Kirribilli House, Sydney on January 15.

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