



## PRIME MINISTER

FOR PRESS

28 NOVEMBER 1976

### ELECTORATE TALK

The Australian Government has made considerable and genuine efforts to keep the nation's shipbuilding industry alive. For many months, we have shown consistently our concern for the future of shipbuilding - and in particular, our concern for the New South Wales owned dockyard at Newcastle.

I and many of my senior Ministers have met delegations of shipworkers; we've had many formal and informal discussions with Mr. Wran and the trade union leadership; officials from the Commonwealth have spent hours in discussions with their State counterparts.

The Government has acted in good faith. We have wanted the shipbuilding industry to continue. We know full well of our obligation to the men employed and their families.

But we also have an obligation to every Australian taxpayer - and all other Australian workers. We have to act in their best interests, too.

The Government has made it clear to the shipbuilding industry and the New South Wales Government that shipbuilding costs are far too high. The taxpayers would be subsidising workers at Newcastle dockyard to build two A.N.L. ships at more than \$20,000 per man.

Clearly then, the Government had to make a decision about the future of the dockyard.

Last week, the Government presented Mr Wran with a number of proposals designed to keep the industry going and to save the Newcastle dockyard.

In essence, the Government was simply asking the dockyard workers not to strike, to improve productivity and to agree to forego wage rises above indexation.

In return the Government offered to support the dockyard with more than a \$29 million subsidy to build the two A.N.L. ships - all money from the Australian taxpayer.

Even before the workers involved were given an opportunity to consider the offer, Mr Wran was making it clear the offer was totally unacceptable.

He pre-empted the decision and possibly the wishes of the workers themselves - the men he claims to have concern for. His main concern is to avoid his own financial responsibility.

The Government believes our proposals for the dockyard are fair. Under no circumstances could we agree to an open-ended programme of financial support. We had to be sure that the taxpayers' money was not being wasted. We had to be sure that the dockyard workers' really wanted to save their jobs.

I believe that the Australian taxpayers - and the Australian workers - have a right to know that the dockyard workers were willing to pull their weight.

Throughout the months of negotiations over Newcastle the Government has been concerned about industrial unrest at the yard.

The figures show a singular lack of genuine effort to slow down the rate of industrial disruption. More than 168,000 man hours have been lost at the Newcastle dockyard in the 12 months to October this year, and yet, the union had claimed that industrial trouble had stopped in the year.

The Government was not prepared to tolerate this situation with so much taxpayers' money at stake in keeping the yard operating. It is for that reason that we put up our proposals, that some say are too harsh. We believe we owe the Australian taxpayer nothing less.

Our proposals are not harsh - they are just and reasonable.

While the idea of an industrial relations contract between unions and management is novel in Australia, it is common overseas.

The Government is not asking for too much.

We are simply asking for the unions to use proper dispute procedures so there will be not strikes. We are asking for the unions to give up strikes while the ships are being built.

We are also saying there should be no increases in wages above adjustments awarded by the Arbitration Commission - or by the appropriate wage tribunals.

In return, the Government is providing substantial support to keep the industry alive. The indemnity clause in the contract is entirely in the unions' own hands. Indemnity will simply pay for strikes that ought not to be happening - because the unions are contracted not to strike.

The Government has been patient on this matter. We have listened to argument and considered options.

We have been particularly concerned about jobs in the industry. We have made strong efforts to protect those jobs. But the Government will not accept the wider consequences of allowing wildcat of political strikes and demarcation disputes. We cannot accept the consequences of open-ended financial support.

Our proposals to keep the New South Wales owned Newcastle dockyard going - and to save the jobs of the men involved - are firm and final.

If jobs are not to be lost and an industry not thrown on the scrap-heap, our offer must be accepted. I don't believe Australians think there is any other way.

000ooo000