



PRIME MINISTER

FOR PRESS

16 DECEMBER 1976

NEWCASTLE STATE DOCKYARD

The Prime Minister sent the following letter by telex to the New South Wales Premier, Mr. Neville Wran, today.

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PRIME MINISTER

CANBERRA

16 DEC 1976

My dear Premier,

I refer to your telex of the 12 December and to our earlier correspondence and discussions on the subject of shipbuilding.

I can only say that I am unable to comprehend how you could have the view that you are not responsible to negotiate the Industrial Relations Contract with the Unions.

The record of our conversation in Canberra indicates that this point was made clear. My letter to you of 12 November explicitly stated, "if your Government can succeed in negotiating a suitable contract with the Unions we would be prepared to co-operate with the State in providing further financial assistance if necessary in the construction of the two ships".

Your Government, as owner of the State Dockyard, obviously must be a principal of such a contract - your Government must have a direct involvement in the negotiations.

May I also remind you that at our meeting on the 27 August when I asked you whether you thought it would be possible to negotiate with the Unions for a moratorium on strikes and wage increases beyond those approved by the appropriate wage determining tribunals, you indicated that you would "back yourself on that brief" if you could promise work for the dockyard.

However, since you believe that this responsibility did not fall on your shoulders, we are prepared, if you wish it, to agree to a small extension of time to permit you to obtain the agreement of the Unions to an Industrial Relations Contract in accordance with the Heads of Agreement, which we discussed on the 19 November. I remind you that from our point of view the Commonwealth is not prepared to vary the Industrial Relations Contract.

I must comment that the Union position as you have reported it to me falls significantly short in a number of important respects of compliance with the Heads of Agreement.

I now formally offer a short extension of time if you wish it to allow you to obtain the agreement of the Unions. A lot of time has elapsed. If I do not receive advice from you by tomorrow night that you wish to accept this short extension, we will be obliged to regard the offer as having lapsed.

Yours sincerely,

The Hon. N. Wran, Q.C., M.L.A.
Premier of New South Wales

(Malcolm Fraser)