



## PRIME MINISTER

FOR PRESS

14 APRIL 1977

### MESSAGE TO EMPLOYER AND EMPLOYEE ORGANISATIONS

The following message is being sent to employer and employee organisations throughout Australia.

"Australia has been grappling with high inflation rates for a number of years now. Although some progress has been made, we are still experiencing double digit wage and price increases.

The persistence of inflation and the recognition of how it continues to sap the strength of our economy, has led to a dramatic and unprecedented initiative by the Commonwealth and State Governments.

Meeting in Premiers' Conference in Canberra on 13 April, the Heads of the Commonwealth and all State Governments unanimously called for a three month halt in price and wage increases.

The agreement signed by all Heads of Government is as follows:

#### Prices and Incomes Restraint

The Heads of the Commonwealth and all State Governments, meeting in Premiers' Conference in Canberra today, unanimously called for a three month halt in price and wage increases. They agreed that such restraint was urgently needed if Australia is to overcome its current economic problems.

It was agreed that all Heads of Government will approach employer and professional organisations and put to them the proposal that their membership should voluntarily commit themselves to a pause for a period of three months from increases in the prices of their goods and services. At the same time, all Heads of Governments will be making an approach to the ACTU and other employee organisations to seek a voluntary commitment to a three months pause from wage increases.

Governments would not expect either the business organisations or the union organisations to agree to such voluntary restraint arrangements without agreement by the others.

/Immediately

Immediately following agreement to the proposal for a voluntary general pause from increases in prices and incomes, approaches would be made to the Arbitration Commission and the Prices Justification Tribunal for the implementation of the general pause.

Governments would also use their influence and the powers available to them towards achieving a successful outcome. Governments will commit themselves to not increasing their own charges during the period of the pause. Local Government will be expected to do likewise.

All Heads of Governments commit themselves to work for this voluntary pause. Upon its achievement, a further conference of Heads of Government will be held to consider what further steps should be taken.

The Heads of Governments called on all members of the Australian community to give full support to this vital endeavour to help overcome inflation.

J. M. Fraser	Prime Minister
Neville Wran	Premier of New South Wales
R. J. Hamer	Premier of Victoria
J. Bjelke-Petersen	Premier of Queensland
D. A. Dunstan	Premier of South Australia
Sir Charles Court	Premier of Western Australia
W. A. Neilson	Premier of Tasmania

I also add that my Government and the States are now taking all steps to achieve a successful outcome to our joint initiative. I regard it as essential that in the period while the necessary agreement of the relevant parties is being sought, restraint is shown by all and that there be no action to get in ahead of the three month pause which is proposed.

The PJT has been requested to monitor prices in the community and to investigate any claims that increases in prices have occurred. The Tribunal will be reporting on its monitoring.

Pending agreement to these proposals, the Tribunal has also been asked to defer decisions on price increases as from today.

In cases where the Prices Justification Act requires the Tribunal to make a decision during this period, companies are being asked to agree voluntarily to a deferment of decisions on these price applications.

Your co-operation is vital to the success of these measures, and I look forward to hearing of your support for this crucial national initiative as soon as possible."

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