

Under embargo until 2.00 p.m.



PRIME MINISTER

FOR PRESS

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ADDRESS AT OPENING OF HUTTON'S FACTORY, CANTERBURY, SYDNEY

I am very pleased to be here today to open Hutton's new ham and Smallgoods Factory. Some people may think it's a good thing that a politician should be opening a factory that can cure hams in a very short time. I personally think it's a bit ironic that a politician should be opening a factory whose company motto is "Don't Argue". But the fact that the new factory is designed like a refrigerator is probably enough to cool even a politician down.

One thing I would certainly not argue with is that significant new investments such as this factory are what this country needs. They create employment, increase productivity, and improve Australia's competitive position in export markets. This is, I am advised, one of the most advanced factories of its type in Australia. It certainly looks advanced compared with the old factory, but on the other hand, it lacks the distinction of being classified by the national trust. But I don't suppose anyone really minds that.

The factory incorporates the latest equipment and complies with the rigorous standards set by the Department of Primary Industry. It can export to all foreign markets. Built at a cost of \$2.7 million it represents a sizeable capital investment and an important addition to industry in the Canterbury area. It will provide an increased productive capacity of up to 75 percent and will, in the longer run, provide additional employment opportunities.

It is most gratifying to see a long established Australian company, like Huttons, expressing its confidence in the future in a most practical way. By initiating substantial new investment. Just two years ago, the economy had come to a standstill - there was almost no growth at all, and investment, had fallen seriously. Since then, the Government has made substantial headway in creating the environment conducive to a sustained economic recovery. Our growth rate has now picked up again. Investment, assisted - as this factory has been - by our forty percent investment allowance has risen, and there is now every reason for confidence.

Of course, there is still much to be done. Inflation has been reduced, but must be lowered further. Unemployment is too high and the Government is determined to beat inflation so that more jobs can be created.

Yesterday, a major contribution was made to the fight against inflation and unemployment. The Commonwealth and all State Premiers ^(CN) unanimously endorsed a three month halt in price and income increases. This halt was recognised by all Australian heads of government as being in the national interest. This national effort requires the support of every one of us.

We are calling for voluntary agreement to the plan by all employees, all unions, all self-employed - in short, every person and every institution which set levels of prices and incomes. This includes all governments, each of which have agreed not to increase its own charges during the three months period.

I believe this is a genuinely workable plan. It will take commitment on the part of all of us. I believe that as a nation we have that commitment, to overcoming inflation and overcoming unemployment.

Another topic very much in the news at the moment is industrial relations. In many industries, including this one, there is room for ^(CNS) an improvement in industrial relations. Too often in the past, communications between employers and employees have broken down. But there are some encouraging signs. I understand the Federal Employers Association and the Australasian Meat Industry Employees Union are to have discussions here in Sydney next week, to try and thrash out outstanding problems, and devise ways of settling industrial disputes before the position is reached where employees resort to direct industrial action. Good communications benefits everyone. Management, unions and every employee have a responsibility in bringing it about.

I was pleased to hear that you, at Huttons, are endeavouring to improve communication between all sections of your business. Such measures as the introduction of a staff newsletter; active consultation between shop committees and management on a wide range of issues affecting employees; and an emphasis on improving occupational health and safety all should help.

It is essential to good industrial relations, that there be consultation on such issues as the working environment and industrial safety.

The Government's view is that employees and employers should establish consultative machinery of their own choosing, designed to further communication and an understanding of the common interests of employers and employees. What a company does is important not only to its shareholders, but also to its employees. Why, for example, should employees first learn of decisions vitally affecting their future in the papers? Company management should spend more time and effort in taking employees into their confidence. Informing employees about the company's performance, its prospects for investment, and for providing new jobs. In this respect, I am very pleased to see that there are a large number of employees here today. It sometimes happens that when some companies open a new plant or development

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almost everyone is there - customers, suppliers, management people, and politicians - but no employees. Employees in my view should always be at the openings of this sort. Without them, there would be no new plant and no industry. Employees should be able to regard the company they work for as their company, and have cause to be proud of that fact.

We all have an interest in ensuring a profitable and successful private sector - a profitable private sector is the key to Australia's economic prosperity. Only a profitable private sector can provide the jobs, and products, that Australia needs. And better industrial relations have an important part to play in making Australia more prosperous.

Recently, the Government has created a new department, the Department of Productivity, to promote reforms in industry, such as those I have described, which lead to greater productivity and faster growth.

Ladies and gentlemen, this new factory is a welcome development both for the Canterbury area, and for Australia. I would urge business generally to follow this example and invest in its own and Australia's future.

It gives me great pleasure to declare the factory officially open.