



PRIME MINISTER

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INCOME AND PRICE RESTRAINT

The Federal Government has adhered scrupulously to the spirit and the letter of the agreement reached last week with the State Premiers on income and price restraint.

All actions taken by the Government are consistent with the joint statement which was issued at the end of the Premiers Conference.

The hearing of the Conciliation and Arbitration Commission, which is to take place tomorrow, is entirely at the initiative of the Commission Chairman acting within his statutory powers.

The agreement itself did not contemplate that the Arbitration Commission, of its own initiative, would bring on a hearing at this time.

At all stages, the Commonwealth has consulted fully with the State Governments as its partners. Accordingly, the Commonwealth sought the views of the States on the approach which should be taken before the Commission and, in the spirit in which these views were sought, it welcomes constructive suggestions.

This was made completely clear to the Premiers.

Some Premiers have expressed the view that the calling of the hearing at this stage is outside the agreement we reached in Canberra.

Accordingly, in the spirit of the agreement which we entered into we will be altering our submission to the Commission to take account of them.

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We propose therefore in our submission to explain the background to our joint initiative; to refer to the clear understanding in the agreement between the Heads of Government that action would be sought by the Commission following agreement by the parties to a voluntary general pause; and to ask the Commission to defer consideration of action at this stage.

We will also suggest that the Commission might explore assisting the parties to arrive at an agreement on a voluntary general pause.

Under the agreement, and in support of it, the Government has sent messages to more than 200 employer and employee organisations.

It has made a national appeal to the community at large to work for price and income restraint.

The Minister for Business and Consumer Affairs, Mr. John Howard, has written to the Prices Justification Tribunal asking the Tribunal to defer decisions on price rises and to investigate any claims that price increases have occurred.

All Commonwealth Ministers and Departments have been instructed that there shall be no increase in Commonwealth charges, fees, etc. Action has already taken place in a number of specific areas to stop increased Commonwealth charges which were in progress.

On Friday I met with representatives of 25 major national employer organisations which indicated their willingness to support restraint.

Yesterday Mr. Howard announced that the Government was proposing a special group representing employers, unions and the Prices Justification Tribunal to assist in the implementation of the wage/price halt.

All these actions are firm evidence that the Government is pursuing its agreement with the States wholeheartedly, and in full consultation with the States.

The Commonwealth has consulted the States throughout the period since the Premiers Conference on action taken and proposed.
