



PRIME MINISTER

FOR PRESS

20 APRIL 1977

THE PRIME MINISTER SENT THE FOLLOWING TELEX TO PREMIERS TODAY:

MY DEAR PREMIER,

YOU WILL RECALL THAT IN OUR AGREEMENT ON PRICES AND INCOMES RESTRAINT ALL HEADS OF GOVERNMENTS WERE TO 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 WERE TO MAKE AN APPROACH TO THE ACTU AND OTHER EMPLOYEE ORGANISATIONS TO SEEK A VOLUNTARY COMMITMENT TO A THREE MONTHS PAUSE FROM WAGE INCREASES. AS YOU KNOW, I SENT A MESSAGE TO OVER 200 MAJOR NATIONAL EMPLOYER, EMPLOYEE, PROFESSIONAL AND COMMUNITY ORGANISATIONS SEEKING THEIR COMMITMENT.

I HAVE ALREADY SENT YOU A LIST OF THE TWENTY FIVE MAJOR NATIONAL EMPLOYER ORGANISATIONS WHOSE REPRESENTATIVES MET WITH ME AND RELEVANT MINISTERS AND INDICATED THEIR WILLINGNESS TO SUPPORT THE INITIATIVE. IN ADDITION, I HAVE RECEIVED MESSAGES OF SUPPORT FROM APPROXIMATELY SEVENTY EMPLOYER ORGANISATIONS AND MAJOR NATIONAL COMPANIES. ON THE QUESTION OF PROFESSIONAL FEES THE AUSTRALIAN MEDICAL ASSOCIATION HAS EFFECTIVELY ADOPTED AN 8 MONTH FREEZE ON DOCTORS' FEES.

I UNDERSTAND THAT STATES HAVE ALSO RECEIVED A POSITIVE RESPONSE FROM STATE EMPLOYER ORGANISATIONS. THUS, AS THE PRESIDENT OF THE CONCILIATION AND ARBITRATION COMMISSION SAID IN THE DECISION YESTERDAY, EMPLOYERS GENERALLY HAVE AGREED ABOUT PRICES.

TODAY I MET WITH REPRESENTATIVES OF PEAK COUNCILS IN AN ENDEAVOUR TO SEEK THEIR AGREEMENT TO A RECIPROCAL WAGES PAUSE. IN SUMMARY, I MUST REPORT THAT THESE REPRESENTATIVES INDICATED THEIR UNWILLINGNESS TO PROCEED WITHOUT A NATIONAL CONFERENCE AND A SUBSEQUENT CONFERENCE OF TRADE UNIONS.

THE PEAK COUNCILS ASKED ME TO MEET WITH PREMIERS AND SEEK THEIR AGREEMENT TO A NATIONAL CONFERENCE ON THIS MATTER. I INDICATED THAT I WAS PREPARED TO DO SO IF PEAK COUNCIL REPRESENTATIVES WERE PREPARED TO SUPPORT IN PRINCIPLE THE OBJECTIVES OF THE HEADS OF GOVERNMENT AGREEMENT EVEN IF ONLY ON A PERSONAL BASIS. THIS WAS NO MORE THAN WAS INDICATED BY ONE PEAK COUNCIL IN YESTERDAY'S PROCEEDINGS IN THE COMMISSION. OTHER PEAK COUNCIL REPRESENTATIVES WERE NOT PREPARED TO SUPPORT EVEN IN PRINCIPLE AND FOR THIS REASON I DECIDED THAT SUCH A NATIONAL CONFERENCE WOULD BE FUTILE.

I BELIEVE THAT THERE IS SUBSTANTIAL COMMUNITY SUPPORT FOR CONCEPT OF PRICES AND INCOMES PAUSE. IN VIEW OF UNWILLINGNESS AND INABILITY OF PEAK EMPLOYEE COUNCILS TO AGREE ON WAGES PAUSE WOULD YOU BE PREPARED TO JOIN IN AN APPROACH TO THE CONCILIATION AND ARBITRATION COMMISSION TO USE ITS GOOD OFFICES TO ASSIST IN ACHIEVING THE PRICES AND INCOMES PAUSE AS ENVISAGED BY OUR AGREEMENT.

I SHOULD BE GRATEFUL FOR YOUR URGENT REACTION.

YOURS SINCERELY,

MALCOLM FRASER

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 Governments 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 3 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 A.C.T.U. and other employee organisations to seek a voluntary commitment to a 3 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 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

Canberra

13 April 1977