

Question: Well, what do you say about the projected figures?

Prime Minister: I haven't seen any projection, I've seen the newspaper report but let me make a couple of points, because this is a very serious matter. Employment in a number of industries is very difficult and its very difficult for a number of factors. Wage rates in a two year period went up by over 50% and that priced many Australian industries out of business. Now we've been arguing over the last two years for wage restraint to try and get back to proper relativities between the wage share and the profit share and over the last twelve months, for example, and in spite of the policies which we've argued before the Arbitration Commission which have not been fully accepted by the Commission, the share of wages -- wage increases, average earnings -- have continued to rise at a greater rate than the Consumer Price Index and that doesn't seem to indicate a great deal of restraint which is necessary if we are to get back to the levels of employment that we would like. The penalty rates in the tourist industry, which is something which I referred to at lunchtime, is something that is driving tourists away from Australia to places like Fiji and Singapore and that also doesn't help. A couple of days ago a major building operation in Melbourne was shut down, a \$150 million project, as I understand it, relating to the State Saving's Bank -- and it was shut down, as a result of seven bans or so placed upon the construction, guerilla tactics by the Builders Labourers Federation and under these circumstances how can you expect major buildings to be undertaken in the City of Melbourne, and I would say it is a deliberate campaign by the leaders in that particular industry to prevent building taking place and a deliberate campaign therefore to prevent expanded employment opportunities occurring. In the demonstration today, when I arrived in Ballarat, I understand that most of those outside the Town Hall were not out of jobs, that they have got jobs, but they've shut down the factory they were operating in today so that they could demonstrate as though they were unemployed. The particular firm for which they are working is losing orders because they've got bans on the firm and will only work 35 hours a week and because of that the firm gets orders but it can't fill them in time and therefore work is lost.

While these attitudes remain in certain sections of the union movement within Australia, it's going to make the job of getting back to a level of employment that we all want to see very difficult. And I make no bones about it -- continuation of these policies by some union leaders, by the guerilla tactics, the sort of demonstration that there was today -- making, putting up costs for industry, unnecessarily, is almost one might think,

an effort to frustrate the efforts of the Government and the many thousands of people throughout Australia to establish more reasonable circumstances.

Question: Just on that point, sir, do you support your Ministers attack today on Mr. Hamer and his stand over wage indexation?

Prime Minister: Whatever Mr. Street said, and whatever Mr. Lynch said, about quarterly wage hearings, of course I support it, because that has been Government policy. We have argued in the Arbitration Commission that changes in wage rates every three months is very unsettling to business, they don't know what decisions are going to be taken in relation to wages, therefore they can't count their costs; going further into the future there is an unknown element and if there was greater stability, wage rates being established every twelve months, for example, that again would greatly assist in creating more employment. Let me make another point in relation to that: when inflation was running at 16 percent, in the times of our predecessors, I could understand how employees would feel left behind if wages were only adjusted every twelve months, but now that inflation is seven or eight percent and falling, that sense of injustice should not be there if wage determinations were much less frequent than they now are; that would assist investment and assist re-establishing unemployment at levels which I hope every Australian wants to see. But again, when I see the attitudes, the decisions and actions of some industrial leaders, union leaders, I can only believe that they don't want greater employment in their industry and are deliberately trying to subvert economic recovery in Australia.