

From the Press Office

SUMMARY OF 12.30 NEWS

A survey by the Australian Chamber of Commerce and the National Bank indicates a significant improvement in trading and profit conditions for the private sector in the final three months of last year. The December quarter's business results released today in Canberra show 71% of respondents reported good or satisfactory trading compared with 63% in the preceding quarter. The survey also reports an improved demand for labour during the last quarter. Pat Macguire reports from Canberra. The President of the Australian Chamber of Commerce believes the latest results provide evidence of a markedly improved outlook for capital expenditure compared with the previous survey.

Foreign investment in Australia reached a record \$3,321 million during 1978-79. The figure released in Canberra today is \$359 million higher than the previous set in 1977-78. The two largest foreign investors in Australia last year were the United Kingdom and the United States. As expected oil made up the biggest share of overseas investment in Australia with \$527 million being spent in this area in 1978-79.

A British Cabinet Minister has warned that Britain faces the prospect of three years of unparalleled austerity. The Chief Secretary of the Treasury gave the warning at a seminar organised by the Conservative Political Centre in London. Mark Colvin reports. The Minister, who is responsible for public spending in Britain said the country must expect a period of low economic growth and even recession for some years to come. Mrs. Thatcher had indicated that she wanted to cut public spending by \$4,000 million a year over the next three years.

Meetings of striking Wool Storemen and Packers in Sydney, Melbourne and Adelaide this morning voted to continue their stoppage until at least Thursday. Other meetings are to be held in Queensland and Western Australia later today. More than 1,000 Storemen and Packers walked off the job two weeks ago followed by another 800 last week after an appeal by wool brokers against a pay rise. The Federal Industrial Officer of the Storemen and Packers Union says the decision to stay out will give the Arbitration Commission time to call a compulsory conference of all the parties.

American athletes are to take part in a vote to determine whether they want to go to the Moscow Olympics. This follows President Carter's call for an American boycott of the Games unless Soviet troops pull out of Afghanistan within one month. The Executive Director of the United States Olympic Committee held a news conference following the President's announcement. He said there would now be a poll of the athletes to see if they favoured competing in Moscow. He added that it was significant that the President had made it very clear that he recognised the Olympic movement as part of the private sector.

Radio Moscow has reported President Carter's recommendation without comment but quoted what it called, observers as saying his move to exert pressure was futile. There has been little reaction yet from other countries. However the Egyptian Sports Minister has said

that Egypt was seriously considering pulling out of the Moscow Games unless Soviet troops were withdrawn from Afghanistan. A spokesman for the West German Government says it had great understanding for the President's move but the spokesman made it clear that the Government could not order West German sports organisations to boycott the Games. Meanwhile the President of the International Olympic Committee has remained firm in his opposition to a boycott of the Games or their transfer to another venue.

President Tito's doctors are said to be satisfied with the outcome of the operation to amputate his left leg. Yugoslav officials said the 87 year old president was feeling well in the circumstances when he awakened after lengthy anaesthesia. Doctors said the amputation was the only way to save his life. They believe the next three days will be critical as there is still some danger of further blood clotting. But President Tito's chances of living for a considerable period of time are said to be good.

The Carter Administration believes that Muslim militants holding the American Embassy in Teheran have forced three of their hostages to send propaganda letters to American newspapers. A spokesman for the State Department says he can only conclude that much of what the hostages said in some twenty letters to newspapers was probably written at the request of the captors. The letters sounded very much like the material used by some three hostages in a televised news conference they gave at Christmas time.

The Federal Government will launch a health programme in three centres next month to persuade people to look after themselves. Mr. MacKellar today announced that the programme would be tested in Adelaide, Goulburn and in Canberra for six weeks.

Rhodesia: An election rally for Mr. Nkomo was nearly called off yesterday after mobs assaulted police. Peter Sharpe reports.

The Federal Opposition says many food processors should again be forced to notify the PJT of price increases. The Opposition Spokesman on Industry and Commerce said today the need was evident from the PJT's report into the processed foods industry released at the weekend. The report said some retailers sold old stock at new prices and that their higher profit margin had increased inflation. He said that although the Government has dismembered the PJT it was still capable of valuable work. He said the Government should return to the PJT the functions of examining and reporting on retailers' margins including their food profits. It should also include reintroducing notification of price increases by many of the food processors.

In South American at least 46 people were killed and some 500 injured when a grandstand collapsed at a bull ring in Columbia.

The Australian film 'Mad Max' has won an award at a French festival for films on horror and violence.