



PRIME MINISTER

FOR MEDIA

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ELECTORATE TALK

The government's economic programme is designed to bring about stable, non-inflationary growth. And the success of this programme is now recognised around the world. The economy is buoyant. Prospects for employment are improving. Unemployment was down by 53,000 in the last year, and the June unemployment rate was the lowest for four years. It is particularly heartening that there has been a substantial fall in unemployment amongst young people. The number of young people under 19 now unemployed is the lowest for several years. Private business investment is growing strongly.

There is confidence in Australia, and our prospects for the future are extremely heartening. The OECD expects the Australian economy to grow more rapidly than that of any other member country in 1981 and also in 1982. It predicts a growth rate of over 5% for both those years. But there are also dangers in our present situation, and it is the responsibility of us all to make sure that we do not throw away the great opportunities which now lie before us. In the last few weeks disruption and strike activities have caused great and unwarranted inconvenience to the community. And the selfish wage push by militant unions can threaten economic prospects in this country. In particular, there is danger that wage rises will renew inflation, which remains the single greatest threat to improved living standards throughout Australia. There is a clear need for restraint by all sections of the community to restrain inflation, for the success of our policies in producing economic growth is already producing inflationary pressures. If the amount that we produce as a nation goes up by three per cent, four per cent or five per cent in a year, and we try to get wage increases of ten or fifteen per cent or more each year, it is inevitable that costs and prices will go up, and we will be back on the inflation merrygoround. Excessive wage rises damage us all.

The prosperity currently being achieved in Australia is welcome and gratifying. It is a tribute to the sound economic policies that this Government has pursued. However, it must not be taken for granted. One indispensable element in combatting inflation is co-operation. Increasing overall prosperity depends on the actions of millions of individual Australians and their willingness to put aside personal short-term gains for more

important, long-term goals. The pursuit of excessive wage demands can only hinder consistent economic recovery. The benefits of the economic growth now occurring in this country must be shared by all Australians, and not be allowed simply to fall into the hands of militant unions.

The Government cannot force people to be responsible. It cannot do away with the selfishness of militant unions trying to grab the benefits of prosperity for their own members at the expense of the rest of the community. The Government will do everything that it can to protect the interests of the community as a whole, and to encourage the kind of climate in which reasonable solutions can be achieved. But there is a vast need for a sense of responsibility in this area that is shared by all Australians.

Last Friday, after a special meeting of representatives of Government, the ACTU and employer groups, the President of the Arbitration Commission announced a review of the wage fixation principles, and called for a preliminary hearing next Wednesday of the national wage case for it to consider procedural matters and to fix a timetable. The Government welcomes this initiative from the Arbitration Commission, and believes that this approach can be of benefit so far as the operation of the wage guidelines is concerned. It provides an opportunity which nobody can afford to let slip.

The Government believes that all industrial action must be called off during the course of the proceedings. Unless the damaging industrial disruption that has been all too common in recent times is stopped the potential provided by this initiative for more stable industrial relations cannot possibly be fulfilled. All Australians will feel the consequences of a failure to make the most of this opportunity. But I believe that if we work together, the prosperity of Australia will be increasingly shared by all Australians.

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