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SPAND

PRIME MINISTER

FOR MEDIA

WEDNESDAY, 12 AUGUST 1981

GOVERNMENT/CAI TALKS

The Prime Minister and Ministerial colleagues met with representatives of the Confederation of Australian Industry in Canberra today.

Both parties agreed that there had been misunderstandings about the impact of the abandonment of the wage indexation system by the Conciliation and Arbitration Commission.

Nothing could be more wrong than to say that the abandonment of that system had left a vacuum and that there were no rules governing the determination of claims.

Unions and employers continue to have the right to approach the Commission for the resolution of wage and other industrial claims.

The Industrial Relations processes established under the Conciliation and Arbitration Act still apply:

- the Conciliation and Arbitration Commission has responsibility by law to pay regard to the general community interest as well as economic issues in making awards
- the Commission has long-established principles to be applied in dealing with claims for new awards, variation of awards and certification of agreements.

What should be clear to all is that no "free for all" situation exists. Any claims for wage increases will need to be supported with proper and substantive argument.

Both the Government and Industry remain concerned at the potentially inflationary consequences for all Australians of excessive growth in incomes.

There was an acceptance of the need for all parties to cooperate in making the Arbitration system work effectively and a conviction that this could be done. This was coupled with a determination to ensure that the Arbitration system would be recognised as the best process for settling disputes.

Both parties agreed that they would do everything in their respective areas of responsibility to facilitate the determination of just claims before the Conciliation and Arbitration Commission.

This was coupled with a determination to ensure that the Arbitration system would be recognised as the best process for settling disputes.

The Government informed the national employers, and they accepted it, that the Government's proper role in industrial relations is

- . to provide the appropriate legislative framework for settling industrial claims and disputes

- .. to intervene as considered necessary in major national industrial relations cases before the appropriate Tribunal.

Present at Meeting

Prime Minister

Mr. Sinclair, Minister for Communications

Senator Carrick, Minister for National Development and
Energy

Mr. Howard, Treasurer

Mr. Viner, Minister for Industrial Relations

Mr. Fife, Minister for Education

Mr. Brown, Minister for Employment and Youth Affairs

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Representatives of the Confederation of Australian
Industry

Mr. H.G. Aston, CBE, President, C.A.I.

Sir Samuel Burston, OBE, Vic-President, C.A.I.

Mr. J.E. Dixon, OBE, Chairman, National Employers Industrial
Council, C.A.I.

Mr. G.A. Mackay

Mr. D. Dobbie

Mr. G. Politics, CMG, MBE

Mr. R.G. Fry, MBE

Mr. N.J. Mason,

Mr. B.M. Noakes