

from the Press Office

SUMMARY OF NEWSVOICE

The strong surplus in the balance of payments last month was due to a big increase in the amount borrowed from overseas. Report.

There has been a further slump in Australia's home building industry. Figures out today show another fall in lending to home owners by savings and trading banks. Report.

The ANZ Bank today announced it would increase its interest for large borrowers from this Friday. It said its rate on advances over \$100,000 would rise by 1% a year to 17.25%. The ANZ said the increase had become necessary to offset in part recent sharp rises in the cost of deposits.

The US Secretary of State has postponed a second trip to Buenos Aires to report to President Reagan on the progress of discussion to resolve the Falklands crisis. After his return, Mr Haig had little to say except that both countries were considering new ideas. In a letter to the UN Security Council, Argentina says it will comply with the council's demand for the withdrawal of its troops from the Falkland Islands if Britain recalls its naval task force. It says Britain would also have to recall what it called attempts to return the previous colonial situation on the island. Britain replied that Argentina's failure to comply with the UN order to withdraw from the Falklands had made it necessary for Britain to take self defensive measures. In the meantime, preparations for a military conflict are going ahead.

The Prime Minister said today there was no question of Australia being directly involved in the Falkland Island conflict. Mr Fraser was speaking on the ABC's national Morning Extra programme. Report. During the hour long phone in programme, Mr Fraser answered questions from listeners around Australia on topics ranging from the price of farm fuel to the standards of Australian speech. A number of questions concentrated on Australia's defence capabilities. On the Falklands crisis, Mr Fraser said Australia was not bound by decisions made by the United Kingdom.

Prime Minister:

I am sure that the United Kingdom would not be expecting Australia to join them in battle in this particular conflict if it develops that way. Whatever support we can provide them, morally, and through some trade sanctions and through some financial sanctions, and these things have already been announced, of course we will do. But it is not the kind of circumstances in which I would expect to see Australians involved, directly.

A Darwin listener, Mr Mason, told the Prime Minister of his concern at the level of defence preparedness of the Northern Territory.

Mr Mason:

We liken Darwin and the Northern Territory to be very, very similar

Mr Mason: (cont.)

to the Falkland Islands, with our lack of defence up here in the Territory.

Prime Minister:

I don't think so.

Mr Mason:

We people up here do think so.

Prime Minister:

Well, if I could make a comment or two about that. The Falkland Islands are a very long way, about eight or nine thousand miles from the United Kingdom. They are remote from the main centres of British power and influence. Now, the Northern Territory is all part of one island continent, and the Australian defence effort is based to make sure that we secure the protection of Australia against any possible threats. I can understand that there can be a feeling of isolation but really in military terms, the situations are not the same, they really aren't.

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The NSW Supreme Court has begun hearing a challenge against a State government Minister's refusal to allow a State ward to have an abortion. The decision by the Youth and Community Service Minister has led to heated arguments inside the cabinet.

Tasmania's Director of Road Safety has attacked what he calls the often ridiculous publicity given to the Easter road tolls. Report.

An American expert on new antibiotics today warned Australian doctors not to consider their costs when lives are threatened.

Caltex has deferred some \$20 million in investment in NSW because of the State's petrol pricing controls.

Queensland's cabinet ministers will be among those hard hit by a campaign of bans and limitations imposed by government blue collars in support of a 35 hour week. At a mass meeting in Brisbane this morning, over 1,000 men and women from a dozen different unions overwhelmingly rejected the government's final offer of a 38 hour week. Services like air conditioning and plumbing will be affected.

Two officials from the BLF in South Australia today refused to answer questions at the Royal Commission into the union in Melbourne. The South Australian Secretary of the union, Mr Owens and an organiser, Mr Porter, read a prepared statement to the commission and then remained silent during questioning.