



## PRIME MINISTER

FOR MEDIA

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Today's Arbitration Commission judgement in the National Wage Case is consistent with the Government's strategy for national economic recovery.

I particularly welcome the Commission's strong statement that the general wage adjustments will be made only in those awards where the unions involved give a public and unequivocal commitment not to make extra claims.

The Commission's assessment of the current state of the economy, following its hearing of detailed evidence from all parties, supports the government's understanding. There are signs of improvement in the economy, and these will need to be nurtured.

The Commission, like the Government, believes that in present circumstances a centralised wage-setting system would lead to a more stable industrial environment and that it would provide the basis for a more rapid economic recovery than would occur in any alternative system.

The new principles outlined by the Commission represent a workable system for ensuring that economic recovery is not frustrated by premature increases in real wages.

The Commission's judgement imposes firm obligations and responsibilities on unions, employers, governments, and State tribunals. All parties must accept commitment to these requirements for the system to work.

For our part, the Government will be doing everything within its power to ensure that the system is not only workable, but in fact does play its part in leading to national economic recovery.