

MR. FRASER COMMENTS ON UNEMPLOYMENT IN AUSTRALIA

FROM WILLESEE

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WILLESEE: Well it seems it is now official, unemployment IS going to get worse. In Federal Parliament yesterday the Minister for Employment and Industrial Relations, Tony Street, painted a gloomy picture. Today, the Leader of the Opposition Mr. Hayden called for the Prime Minister's resignation saying he had misled the Australian public over the unemployment situation.

The fact is that, going back to the days of the Whitlam Government, all governments have agreed that the two problems were inflation and unemployment. Well Mr. Fraser has done a marvelous job with inflation but not with unemployment and now we're told officially it's going to get worse and that's pretty surprising, coming from any government. The Prime Minister agreed today to this interview with Paul Black.

PAUL BLACK: Prime Minister, it would seem that the Government has failed to come to grips with unemployment?

MR. FRASER: No I don't believe so for one moment because our policies are in fact, as I believe, the only ones that will come to grips with the problem.

PAUL BLACK: The situation at present is that Mr. Street says not only will there not be significant improvement but things are going to get worse.

MR. FRASER : Well let me trace the sequence of events through. We had established the circumstance in which Australian industry was not competitive. We have to make Australian industry competitive again, we have to get this country moving forward in a proper and productive manner and it is time that we all recognised, Government, and I believe we do, State Governments, employers, and trade unions, that if we're to overcome the problem of unemployment we have all got a role to play in relation to it.

PAUL BLACK : But can you understand then, people saying, okay, he's doing all that, but nevertheless the facts are that unemployment is getting worse and therefore we think he's failed?

MR. FRASER : Well I think people are capable of following the facts of the argument a good deal better than that and not coming to that particular conclusion because the average Australian working man, if not a number of union leaders, know quite well that if wage rates are too high, if conditions change too much, which puts too much of a cost on employers, that employers are going to be able to afford to employ less people.

PAUL BLACK : But Prime Minister, can you understand people doubting your word, as Government leader, when they see the possibility of half a million of their colleagues being out of work by January/February?

MR. FRASER : I believe people can understand that there were very serious situations created during the time of our predecessors. I believe that the average Australian has much, much more intelligence than very often politicians allow for and that he does understand that these matters can't be put right quickly and therefore I think he can understand what I am saying.

PAUL BLACK : Does Mr. Street's statement yesterday have full Cabinet backing?

MR. FRASER : Oh of course it does. We believe that Mr. Street needed to lay out the situation plainly, clearly, so that everyone can see it, so that everyone

PAUL BLACK : It's official,

MR. FRASER : Oh yes of course it is so that everyone can therefore understand what the problem. But we also, and this I think was the real reason for it, we wanted people to understand the part that they can play in helping to overcome it.

PAUL BLACK : Did you really want him to make that sort of statement?

MR. FRASER : The statement he did? Oh yes of course. And something that in fact, Tony Street and myself had discussed over a period of two, three, four months, maybe.

PAUL BLACK : It's a very pessimistic outlook though isn't it?

MR. FRASER : Well I don't think it is pessimistic in this sense. I do feel excited about Australia's future, when I can see the position in which - when what we want is people to have confidence in this country and I think sometimes Australians are too diffident, I think Australians could have more confidence in their own country because of their own country's achievements and when they start to put Australia in the same company as Germany's, well then that's respectable company, and I believe that

PAUL BLACK : But people are going to find that very hard to understand, to relate to the world situation aren't they, they're going to look at the situation more on an Australian level and say, Mr. Street virtually said yesterday, if you're looking for a job, forget it - didn't he?

MR. FRASER : Oh no I don't think so, not for a moment, because again I think that question under-estimates the responsibility and capacity to understand of the Australian people.

PAUL BLACK : But there are thousands of Australians who will never know the security of a permanent job?

MR. FRASER : I believe that Australians, if they want to get a permanent job can go to the training programs that we have and, you know, it is not adequately understood, that there are 110,000 Australians, a very large proportion of them young Australians, in training, on job, at any one time and well over 60% of that keep

MR. FRASER cont'd:

their jobs at the end of the training period. These programs will be improved, they will be extended, and coupled with those opportunities and with the growing profitability of Australian industry I believe that Australians who want to work and want to look forward to the future with confidence are going to have opportunities opened up for them.

WILLESEE: Prime Minister Malcolm Fraser talking with Paul Black. Mr. Fraser made great play there of the intelligence of Australians. It's a funny thing, you know, Mr. Fraser once said that he needed three years to set the economy right, he is now saying that Australians are intelligent enough to understand that these matters can't be put right quickly and also we remember his election promises and predictions - unemployment will go down, it's gone up, and now the Government tells it is going to keep going up. So much for unemployment and election promises.