



PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP
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J: Isn't the real point about unemployment, 10 per cent regardless is unacceptable for you and the adult population?

PM: Absolutely, and I think ABC radio have done me a disservice in not running my full quotation which was to explain that these sort of gloomy projections of 46 per cent youth unemployment are not correct, that about 10 per cent is far too high and that's why I'm focussing on this national meeting to see what we can do to get young people back to work. That is, open up job and training opportunities for them and at the same time open up training opportunities by the modernisation of the technical and further education system. There are two chances for a young Australian, that is, to train themselves or to find work in places where other people are prepared to train them so that the sort of dead-end job which some people, particularly in the Liberal Party are now longing for, is a thing of the past and that Australian kids leaving school, if they train themselves, can find work in the new kind of order we have in the economy.

J: Don't you think the fact that high unemployment and the youth factor is just one of the painful results of the structural change that you are talking about?

PM: No, I don't think that is true. In part it is. When I was a teenager there were plenty of unskilled jobs, but in the economy we have today the unskilled jobs are disappearing and skilled jobs are appearing and that's why the emphasis must now be on training and skills. But for those kids who did leave school and have not had training, what I'm hoping from national discussions is that we can open up opportunities for kids to get on the job training so they can get work experience and training, give them that hope. They need to feel that

they are wanted, they're in the work force and as well as that they can move on to other things.

J: Training is not a substitute for wages is it?

PM: We are looking at training wages. The Chermichael report is about that very topic. That is, what we can do to encourage employers to take on people who have left school, pay them wages, but at the same time give them training opportunities. And it holds great promise.

J: How is it that these figures are exaggerated?

PM: Just the simple misunderstanding that people don't understand that when they refer to exaggerated claims about the likes of 50 per cent youth unemployment. They're talking not about the age cohort 15-19 as a grouping, they're talking about those actually in the work force looking for work and that's a different categorisation.

J: They are still out of work though aren't they?

PM: Absolutely, and that's what we're trying to do - move them back into work, give them work experience and training. But that won't be done at the moment simply letting market forces decide it.

J: ... there could be an over-educated work force?

PM: No, that was the way the Liberal Party thought in the '60s and '70s, that what we need is an under-educated work force. In the early 1980s three children in ten completed secondary school, that is now eight in ten, 35-40 per cent of those are now going to universities - in the 120,000 university places created by this government. Now in the 1980s when the economy was growing those kids were taken up in trained jobs as they will be taken up in the 1990s, but they won't be taken up unskilled.

J: What's your reaction to Mr Crean's proposal that the youth unemployed should be utilised on the land?

PM: It's not Mr Crean's proposal exclusively, but he has looked at some options in land care which may be useful in regional or urban environments where industrial opportunities are not available. That will be one of the subjects we will be looking at, at this national discussion.

J: Prime Minister, is the inflation culture now reaching a stage where it may be conducted to another reduction in interest rates?

PM: I don't discuss interest rates at doorstops.

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J: Is the high unemployment rate jeopardising the 'One Nation' growth forecast?

PM: No, I don't think so. The economy is picking up as I think you heard at this business lunch. People are saying that there is a feeling about growth returning, there is more confidence around in the business community. It is regionalised, admittedly, it's more prevalent in NSW, QLD and WA than perhaps it is in VIC or indeed in SA. But it is returning I think, and as it does we will see the economy gather speed through the course of the year '92-93.

J: Westpac consumer confidence survey released today shows that consumer confidence has fallen nine points in June wiping out all the gains of '92, what's your reaction to that?

PM: I'd need to have a look at it to see what it is, when it was taken and what circumstances it was taken in, but these things move up and down. By and large I think we've had reasonably strong retail sales figures recently and they're the best indication of the lot.

J: ... at 5.2 per cent in that Westpac survey are you worried about that?

PM: Again, I would need to have a look at it. If it was taken after the Premiers' Conference when the Premiers of NSW and VIC announced price increases, tax increases that could have well changed the sample by that degree. But I think it's the trend declines which matter and the inflationary expectations trend series over the last twenty years shows inflationary expectations of Australia now at its lowest levels since the 1960s.

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