



**STATEMENT BY ACTING PRIME MINISTER
THE HON TIM FISCHER MP**

LABOR : AS OUT OF TOUCH AS EVER

By opposing the Youth Allowance, Kim Beazley is sending a very clear message to the people of Australia: Labor would rather have young people on the dole than improving themselves in study or training.

By its reaction to the Government's reform of payments to young people, Mr Beazley and the Labor Party has once again demonstrated how desperately out of touch it is with mainstream Australia.

The Youth Allowance addresses the Government's highest priority - providing young people with jobs - by changing the incentives to make it more attractive for young people to study and train than just be on the dole.

Mr Beazley obviously prefers a situation where young people are encouraged to be on the dole rather than acquiring skills for employment.

All the usual scaremongering and bluster can't hide the facts that:

- Everyone on Newstart Allowance or sickness benefit at the time of the announcement will not have their payment affected;
- The new means test (around \$41,000) is more generous than Labor's was (around \$37,000 for a family with one child at home); and
- Rural and regional Australians will also benefit by up to \$75 per fortnight from the extension of rent assistance to young people who are studying or in training

All young Australians win from having the incentive to prepare themselves for the job market.

Students and young Australians undertaking vocational education, along with rural and regional families will also be better off.

Mr Beazley and Labor's reaction show they have nothing to offer young job-seekers. In this regard they remain consistent with their failed record in Government.

18 June 1997

For Further Details Contact : David Kelly 277 7420
David Gazard 277 7744