

Prime Minister Interviewed on ABC'S "P.M."

by Paul Davey

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Report: Last week we reported on the new Department of Employment and Youth Affairs, set up after Mr. Fraser's Cabinet re-shuffle and the comments by Sir William McMahon that the Liberal backbench was looking to the new Ministry for results.

Paul Davey asked the Prime Minister if the Government would be placing more emphasis on the problem of youth unemployment in 1979.

Prime Minister

Clearly there will be a greater concentration in that particular issue because a Minister and a Department and a Permanent Head would have very specific responsibilities in these areas. I wouldn't want it to be thought that a great deal hasn't been done in this area because probably not too many people understand that 300,000 people have already been assisted, are being assisted, under the various training programmes and that's a very large number.

Question

Does the Government have any new schemes in mind, though, for the New Year?

Prime Minister

A number of initiatives have been suggested to us. Now what comes out of this will depend upon the examination, which the Government will be looking at in a few days time. There will be no change in economic policy because we believe our policy, as such, to be right. What we do want to do is to make quite sure that people, young people particularly, aren't missing out on opportunities because of some inadequacy in the various training programmes.

Question

Does your creation of this new portfolio in any way reflect the fact that the Government is now admitting that moves in this direction should have been undertaken earlier?

Prime Minister

No, I don't think I would put it quite that way because the work of the Department of Employment and Industrial Relations had grown enormously. Going back before the Labor years created unemployment, it was then really an Industrial Relations Department that had employment responsibilities. Employment then wasn't a problem. Industrial relations was a very significant part of the total workload then. Over recent years the need to tackle the employment issue in a constructive and productive way has altered the balance and I believe it had got to the stage where the division, the split, had become necessary. You can always argue about whether that should have happened three months ago or six months ago or two or three months later.

Question

So, just briefly, can you explain how the difference is now going to effect itself. How is youth, for arguments sake, going to benefit from the split into these two portfolios?

Prime Minister

There will be concentration because you will have one Minister specifically involved with the general employment issues and that Minister will be able, by devoting his total time in that area, keep a closer eye on the various training programmes, make sure that industry registers the jobs that are available with the employment service. That by no means happens in all cases at the moment. Maybe the employment service doesn't get more than about 50 percent of jobs that are registered before it. The Office of Youth Affairs is going to be expanded very significantly. So it is not only an employment department, it will be seeking to respond to the needs, the circumstances and the concerns of young people in Australia. I think Ian Viner is going to be very busy over the next few months.

Question

You have, over the past 12 months, very strongly as a Government pointed out the fact that inflation in the major problem. In recent times, recent months, you've now put forward a lot of emphasis on the employment and unemployment problem. Do you think the electorate is going to accept the fact that you as a Government are sincere, now that you have taken over the unemployment position.

Prime Minister

I would certainly hope so and I can't see why not because inflation is still the major problem in getting people back to long-term productive work in Australian enterprises and Australian businesses. That can be very simple. If you've got people in a certain factory and wages go up too much the goods in that factory will have to be made more expensive and if the wages go up too much it can have such an impact on the costs of the factory that whatever it produces can be just priced out of the market.

Prime Minister (continued)

Now it can be priced out of export markets and that's probably the first result, but it can then be priced out of the domestic market and if that happens the jobs that were once provided by that factory no longer exist.

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