PRIME MINISTER
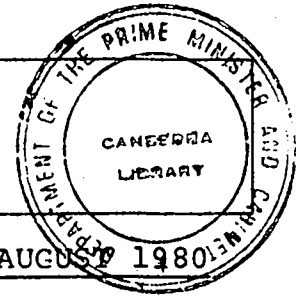
ELECTORATE TALK

TECHNOLOGICAL CHANGE - JOBS & PEOPLE

Technological change is one of the challenges of a developing society. Australia cannot, and should not, isolate itself from it. It affects people and jobs and must be faced up to.

It was against this background that the Government initiated the Myers Inquiry into technological change in Australia, the report of which I released last week.

For many years there has been a great deal of public debate about the merits of technological change, and concern at its possible adverse effects. That is why the Government decided to establish an independent and representative committee under Professor Myers to examine the many implications of technological change.

The Committee - comprising members drawn from the academic world, business and the trade union movement - was asked in particular to report and make recommendations on how the Australian community could maximise the economic, social and other benefits of technological change, and minimise any possible adverse consequences.

I believe that the Committee has responded to that task in a most constructive fashion and that its report will greatly assist the community and the Government in understanding and dealing with technological change.

The report will also do much to allay fears in the community that the introduction of new technology represents a threat to the well-being of society and in particular a threat to employment opportunities.

Looking first at the benefits, the Committee stresses the strong positive links between technological change, economic growth and improved living standards. It emphasises that it is essential for Australian industry - primary, secondary and tertiary - to keep up with technological developments if it is to compete internationally and if we as Australians are to realise the full potential of our economy.

Rather than see the acceptance of new technology as a threat to employment opportunities the Committee points out that to resist change may be self-defeating.

At the same time, the Committee was in no way complacent about fears in some sections of the community of so-called "technological unemployment". These fears usually stem from a belief either that the pace of technological change has become, or is likely to become a threat to jobs; or that labour saving devices will in the future allow society to produce the goods and services it needs with a significantly smaller workforce.

The Committee's words speak for themselves when it says it has:

> "Found no convincing evidence that change will be so fast or so extensive in the foreseeable future that significant sections of the community will be unable to adjust and will therefore remain unemployed".

The Committee's Report notes that accurate predictions of the employment effects of particular technological changes cannot be made. It shows also that the pessimistic forecasts of the job destroying effects of new technologies almost invariably prove to be exaggerated. The Committee also demonstrates - and here it has got very much to the heart of the matter - that the indirect effects of technological changes can in fact create jobs.

This is because most innovations are adopted because they produce new things that people want, or because they satisfy existing needs at lower cost. Either way they are usually accompanied by higher productivity and increased incomes - which will be distributed as a mixture of higher profits, increased wages and lower prices to consumers.

The spending of these increases in incomes leads to the creation of new employment opportunities in the economy, often quite unrelated to the sector in which the initial change took place. There are, as the Report illustrates, many everyday examples of these processes at work such as the rising proportion of average household expenditure on services - entertainment, sport and recreation, meals away from home, travel and education.

It is all too easy to forget that as our living standards increase, assisted by technological advances; so do our demands for these goods and services. More people have to be employed to provide them.

Technological change can, of course, be accompanied by adverse consequences. The Committee was very much aware of the hardships that may be imposed on some individuals and their families. Although it does not see these problems as being widespread the Committee was concerned that more can be done - by governments, employers and unions alike - to protect these people. In particular, the Committee emphasises the need for a more co-operative and mutually-supportive approach than has generally prevailed in Australia in the past.

A great many of the Committee's recommendations are aimed at fostering such an approach - at ensuring, for example, that workers are adequately consulted about the introduction of new technologies; that the environment in which they work and the work they do is improved as a result; and that the community in general is as well informed as possible about the process and implications of technological change.

As I said when releasing the Report last week, the Government strongly supports the general objectives of fostering a more co-operative approach, as well as a wider understanding and acceptance of technological change.

I have appointed a special Committee of Cabinet to examine the Committee's recommendations as a matter of high priority and I am confident that this consideration will lead to substantial acceptance of the Committee's recommendations.

I believe that the Committee's Report has brought out in a very balanced and constructive way not only the benefits to be derived from new technologies by the very great majority of Australians, but also the responsibilities that fall on all sections of the community to ensure that the introduction of those technologies is accomplished with the least possible disruption.

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