



PRIME MINISTER

FOR MEDIA

FRIDAY, 14 JANUARY 1983

THE WAGE PAUSE PROGRAM

The Government has decided on the allocation of the \$300 million it expects to save under the Wage Pause Program.

In addition to the \$100 million for welfare housing announced in December, \$100 million will be provided for assistance to the young unemployed and \$100 million to assist older unemployed and others disadvantaged in the labour market.

The Wage Pause Program is framed in such a way as to provide maximum flexibility for each State and Territory to take account of its own problems and programs. It is intended that State and Territory initiatives for employment-generation and to assist youth would be considered for support under the umbrella of the Wage Pause Program.

The youth element of the Program is intended to provide assistance to unemployed young people by offering them an opportunity to work on worthwhile community projects rather than being unemployed.

The construction of capital works and other employment generating projects, funded from the remaining \$100m will assist the older unemployed, and others disadvantaged in the labour market. This group will also be helped from the \$100m welfare housing package to a greater extent than will the young.

Projects funded under the Wage Pause Program, through the States' allocations, would be run by organisations such as local councils, State authorities and voluntary organisations. Typical projects could include:

- National Parks and Wildlife activities;
- Conservation and environmental projects;
- National Heritage;
- Forestry;
- Prevention of soil erosion;
- Local improvement projects.

Projects should provide additional work and be of lasting value to the community.

In writing to the Premiers and Chief Minister today, I have suggested that there be a meeting in Canberra next week of Federal and State Ministers to consider the Commonwealth's proposals. The Ministers would constitute a Committee to oversee the Wage Pause Program, under the Chairmanship of the Minister for Employment and Industrial Relations.

Funds will be allocated between the States and the Territories on the basis of the recently released population statistics. On that basis, the \$100m for each of the two new elements of the Program would be allocated as follows:

	<u>\$m</u>
N.S.W.	34.96
Vic.	26.33
Qld	15.95
S.A.	8.77
W.A.	8.79
Tas.	2.83
N.T.	0.84
A.C.T.	1.52

The allocations recently announced for the welfare housing element will remain unchanged.

The text of my letter to the Premiers is attached.

My colleagues and I are anxious that the community receive benefits from the wage pause as soon as possible. Decisions will be finalised as soon as Commonwealth and State Ministers meet and money will be made available immediately after that.

Our wage pause savings can work for us. They will provide new work. Jobs which may otherwise have been lost may be saved.

Savings made by the States and the Territories and in the private sector from the wage pause will have similar - even greater - benefits.

The community's widespread support for the pause has been most welcome. It should not be long before the benefits are apparent.

Let us all support the pause for the sake of those who are out of work.

---ooo000ooo---

WAGES PAUSE PROGRAM - ELEMENT FOR THE OLDER UNEMPLOYED
AND DISADVANTAGED

Funds provided by the Commonwealth are to be allocated to State and local government activities under the following guidelines:

- . projects are to be worthwhile, meeting community needs and offering long-term benefits;
- . projects are to have high labour content and high Australian content;
- . projects are to be commenced as soon as practicable, noting the Commonwealth's intention that assistance will terminate at end 1983;
- . preference is to be given to projects in areas of high unemployment;
- . consideration is to be given to projects which create employment opportunities for unemployed women;
- . employment on projects is to be additional to the level of employment in assisted organisations preceding introduction of the Wages Pause Program with projects not otherwise being assisted under existing Commonwealth or State programs;
- . workers are to be recruited wherever possible through the CES, which would give priority to the placement of the long-term unemployed and other disadvantaged groups;
- . employment is to be for a minimum of four months, and under award conditions for the occupations involved;
- . projects are to have the maximum involvement of apprentices, with out-of-trade apprentices to be taken on wherever possible;
- . the Commonwealth contribution to projects is to be clearly indicated at the time of announcement and in subsequent project identification.

WAGE PAUSE PROGRAM - YOUTH ELEMENT

PROPOSED GUIDELINES

Objective

- . The objective of the scheme is to provide assistance to unemployed young people by offering them an opportunity to work on worthwhile community projects rather than being unemployed.

Types of Projects

- . The projects funded through the States' allocations would be managed by organisations such as local councils, State authorities and voluntary organisations. Projects should provide additional work and be of lasting value to the community.
- . Typical projects would include:
 - National Parks and Wildlife activities;
 - Conservation and environmental projects;
 - National Heritage;
 - Forestry;
 - Prevention of soil erosion;
 - Local improvement projects.
- . Existing or projected State youth employment programs could be included under the umbrella of this element.

Eligibility

- . The scheme would be open to young people under the age of around 25 years. Priority would be given to placing the longer term unemployed into the scheme through the direct involvement of the Commonwealth Employment Service as the referral agency. Because of the nature of likely projects, it will also be necessary to place more qualified people in supervisory positions. These supervisors need not be unemployed prior to entering the scheme.

Remuneration

- . Participants would receive a weekly remuneration set at an appropriate rate above the unemployment benefit rate for single people.

Duration of Participation

- . Participants would be expected to enter the scheme on a full-time basis and for a period of at least three months, though desirably participation would be longer. The scheme therefore obliges young

people to enter with a sense of commitment to the project on which they are going to be working.

Administration of the Scheme

- Funds would be allocated to States according to population. It would be expected that State Governments would call for proposals from their departments and authorities, local government and voluntary and community organisations and they would be responsible for approving projects and monitoring schemes. They will be given maximum flexibility to model the schemes in the light of particular State needs.