



PRIME MINISTER

FOLLOWING IS TEXT OF PRIME MINISTER'S SPEECH TO KANSAI
FEDERATION OF ECONOMIC ORGANISATIONS, OSAKA 3 FEBRUARY

BEGINS:

IT IS GOOD TO BE IN THE KANSAI AREA, WHICH HAS ALWAYS HAD A
SPECIAL PLACE IN AUSTRALIAN-JAPANESE RELATIONS.

A CENTURY AGO IT WAS A KANSAI MAN FUSAJIRO KANEMATSU WHO
PIONEERED THE GREAT AUSTRALIA-JAPAN WOOL TRADE, AND IN THE
PROCESS ESTABLISHED ONE OF THE FIRST OF THE FAMOUS JAPANESE
TRADING COMPANIES.

WOOL SUPPLIES TO THE TEXTILE MILLS OF OSAKA AND ITS
NEIGHBOURING CITIES FOR A LONG TIME REPRESENTED THE BIGGEST
ELEMENT OF AUSTRALIA'S TRADE WITH JAPAN. AN WHEN IN THE
FIRST GREAT TRANSFORMATION OF AUSTRALIAN EXPORT TRADE TO JAPAN,
MINERALS CAME TO EXCEED WOOL IN IMPORTANCE, IT WAS THE STEEL
MILLS OF THE KANSAI AREA THAT ABSORBED HUGH QUANTITIES OF
IRON ORE AND COAL.

THE TRADE IS NOT ONE-WAY. AUSTRALIA IMPORTS TWICE AS MUCH
PER CAPITA FROM JAPAN AS THE UNITED STATES, AND FOUR TIMES AS MUCH
AS THE INDUSTRIAL COUNTRIES OF EUROPE. A HIGH PROPORTION OF THESE
AUSTRALIAN IMPORTS ARE MANUFACTURED GOODS FROM YOUR AREA.
AUSTRALIA IS THE FOURTH LARGEST MARKET FOR JAPAN'S AUTOMOBILES -
BEHIND THE UNITED STATES AND SAUDI ARABIA, AND ALMOST AS LARGE
AS THE THIRD, GERMANY.

THE AUSTRALIAN TRADE RELATIONSHIP WITH JAPAN IS AT SOMETHING
OF A CROSS-ROADS. GROWTH PROJECTIONS FOR RAW MATERIALS AND
ENERGY RESOURCES, THE TRADITIONAL SOURCES OF MUCH OF THE STRENGTH
IN AUSTRALIA'S TRADING RELATIONSHIP WITH JAPAN, HAVE BEEN
SUBSTANTIALLY MODIFIED BECAUSE OF THE COMBINED IMPACT OF
SLOWER JAPANESE ECONOMIC GROWTH AND ASSOCIATED ADJUSTMENTS
IN THE PATTENRS OF JAPANESE DEMAND.

THIS IMPOSES ON AUSTRALIAN EXPORTERS A NEED TO EXPLORE CAREFULLY
NEW OPPORTUNITIES IN THE JAPANESE MARKET. WE HAVE BEGUN TO
IDENTIFY NEW OPPORTUNITIES IN INDUSTRIAL AND CONSUMER PRODUCTS
AND SERVICES, AND TO REGISTER AUSTRALIAN INTERESTS IN FUTURE
JAPANESE TRADE LIBERALISATION PACKAGES.

I HAVE BEEN PLEASED TO RECEIVE UNDERTAKINGS THAT THE JAPANESE
GOVERNMENT WILL COOPERATE WITH US IN THIS REVITALISATION OF TRADE.

THIS TASK WILL BE THE EASIER IF IT IS INFORMED ON THE
AUSTRALIAN SIDE BY A SOUND APPRECIATION OF TRENDS IN JAPANESE
INDUSTRY GROWTH, AND THE POLICIES WHICH AFFECT IT.

HERE IN THE HEARTLAND OF JAPANESE MANUFACTURING INDUSTRY, I FIND IT PARTICULARLY APT TO REFLECT UPON JAPAN'S INDUSTRIAL EXPERIENCE AND TO ASK WHY JAPANESE MANUFACTURING INDUSTRY HAS PERFORMED SO STRONGLY IN RECENT DECADES AND WHETHER WE CAN LEARN FROM THAT EXPERIENCE.

I HAVE LONG HAD AN INTEREST IN JAPAN'S INDUSTRIAL EXPERIENCE, AND ONE SPECIAL FEATURE OF THIS VISIT TO JAPAN HAS BEEN THE OPPORTUNITY IT HAS PROVIDED TO CONSIDER THE RELEVANCE OF THIS TO AUSTRALIA.

THIS HAS SUGGESTED A NUMBER OF QUESTIONS DESERVING CLOSE ATTENTION IN AUSTRALIA BY MYSELF, MY COLLEAGUES IN GOVERNMENT, AND THE WIDER COMMUNITY.

ANY OUTSIDER LOOKING IN ON JAPAN IS IMPRESSED BY THE DYNAMISM, COMPETITIVENESS AND LONG TERM FOCUS WHICH SO OBVIOUSLY CHARACTERISE JAPANESE MANUFACTURING POLICY.

THE COMBINATION OF A DISCIPLINED, HIGHLY SKILLED AND MOTIVATED WORKFORCE, ADAPTABLE AND INNOVATIVE MANAGEMENT, AND A SYSTEM OF INDUSTRIAL RELATIONS WHICH EMPHASISES CONSENSUS AND CO-OPERATION HAS CONTRIBUTED SIGNIFICANTLY TO JAPAN'S SUCCESS IN PENETRATING WORLD MARKETS AND MAKING IT A MAJOR INTERNATIONAL ECONOMIC POWER.

AUSTRALIANS HAVE FELT THE IMPACT OF JAPAN'S SUCCESS.

THE REACTION FROM SOME QUARTERS HAS QUITE NATURALLY BEEN DEFENSIVE. , IT HAS ALSO BEEN CRITICAL OF SOME FEATURES OF THE JAPANESE APPROACH.

BUT THE BENEFITS JAPAN HAS DERIVED FROM INDUSTRIAL GROWTH AND THE ADVANTAGES WE HAVE BOTH DERIVED FROM OUR ECONOMIC PARTNERSHIP IT HAS MADE POSSIBLE ARE INDISPUTABLE.

AN AUSTRALIAN UNDERSTANDING OF JAPANESE MANUFACTURING POLICY, AND THE MANNER IN WHICH IT IS INTEGRATED WITH EXTERNAL POLICIES, ESPECIALLY TRADE AND SUPPORTIVE POLICIES, ARE IMPORTANT TO FURTHER DEVELOPING OUR HIGHLY PRODUCTIVE ECONOMIC RELATIONSHIP.

SUCH AN UNDERSTANDING WOULD ALSO BE TIMELY IN A PERIOD WHEN AUSTRALIA IS BEGINNING TO CONSOLIDATE ITS ECONOMIC RECOVERY AND TO REINFORCE ITS PROSPECTS FOR SUSTAINED MEDIUM AND LONG-TERM ECONOMIC GROWTH.

IT IS NOW WIDELY RECOGNISED IN AUSTRALIA THAT THERE IS A NEED TO IMPROVE THE RELATIVE PERFORMANCE OF AUSTRALIA'S MANUFACTURING INDUSTRY. - -

INCREASINGLY IT IS RECOGNISED THAT AN EXPANDING, EXPORT-ORIENTED MANUFACTURING AND SERVICE SECTOR PROVIDE THE BASIC MEANS WHEREBY EMPLOYMENT GROWTH AND SATISFYING CAREER OPPORTUNITIES FOR OUR GROWING POPULATION - SPECIALLY FOR OUR YOUTH - WILL BE PROVIDED.

A DEFENSIVE, INWARD-LOOKING, AND STAGNANT MANUFACTURING SECTOR COULD HOLD BACK THE GROWTH OF THE WHOLE AUSTRALIAN ECONOMY.

THESE REALITIES HAVE RECEIVED PUBLIC RECOGNITION OVER THE LAST DECADE. THERE IS A QUITE WIDE APPRECIATION WITHIN AUSTRALIA THAT IT WILL BE NECESSARY GRADUALLY TO REDUCE AUSTRALIAN PROTECTION LEVELS IF WE ARE TO ACHIEVE THE GOAL OF A MORE EFFICIENT, EXPORT-ORIENTED MANUFACTURING SECTOR.

FOR GOVERNMENT THE ISSUE MUST BE HOW TO MAKE REAL PROGRESS TOWARD THESE INCREASINGLY WIDELY ACCEPTED OBJECTIVES WITHOUT DISRUPTING THOSE SECTORS OF THE ECONOMY WHICH ARE ALREADY PERFORMING WELL.

JAPAN'S MANUFACTURING POLICY APPROACH (UNDERLINED)

FEATURES OF JAPAN'S MANUFACTURING POLICY APPROACH WHICH STRIKE AN OUTSIDER INCLUDE:

- . THE EXTENSIVE CONSULTATIVE ARRANGEMENTS WITH INTERESTED PARTIES (INCLUDING GOVERNMENT, BUSINESS, UNIONS, ACADEMIA AND THE MEDIA) TO ACHIEVE MAXIMUM CO-ORDINATION IN JAPANESE INDUSTRIAL DEVELOPMENT. ,
- . THE WIDESCALE SHARING AND DISSEMINATION OF INFORMATION RELEVANT TO JAPANESE INDUSTRIES ON BOTH MACRO AND MICRO-ECONOMIC TRENDS AND DEVELOPMENTS. ,
- . THE EXTENSIVE USE BY JAPAN OF PLANNING AND FORECASTING - E.G. THE PA'S ECONOMIC PROJECTIONS, MITI'S LONG TERM 'VISIONS', AND THE LABOR MINISTRY'S LONG- TERM EMPLOYMENT PLANS. ,
- . THE APPROACH TO STRUCTURALLY DEPRESSED INDUSTRIES INCLUDING
 - THE EMPHASIS ON PRODUCTIVITY GAINS. ,
 - THE PHASING OUT OF EXCESS CAPACITY IN SOME INDUSTRIES. ,
 - REVITALISATION THROUGH THE SELF-RELIANT EFFORT OF INDUSTRIES THEMSELVES. ,
- . THE ROLE OF APPROPRIATELY TIMED TRADE LIBERALISATION IN SPURRING PRODUCTIVITY GROWTH AND THEREFORE IN THE DEVELOPMENT OF EXPORT INDUSTRIES. ,

THE PRECISE WAY IN WHICH SOME OF THESE FEATURES OF JAPAN'S MANUFACTURING POLICY WORK DEPENDS ON THEIR HISTORICAL AND SOCIAL BACKGROUNDS AND ON LABOUR FORCE AND MANAGERIAL STRUCTURES THAT CANNOT BE TRANSLATED INTO THE AUSTRALIAN ENVIRONMENT.

SOME OF THESE HOWEVER FIND A PARALLEL IN RECENT AUSTRALIAN EXPERIENCE, WHILE OTHERS WARRANT CLOSE ATTENTION.

THE CONSULTATIVE PROCESS IN AUSTRALIA (UNDERLINED)

ALREADY IN AUSTRALIA, WITH THE NATIONAL ECONOMIC SUMMIT, WE HAVE SEEN THAT VERY SUBSTANTIAL SHARING OF INFORMATION AND THE DEVELOPMENT OF SHARED GENERAL PERSPECTIVES ON POLICY CAN BE ACHIEVED AT THE NATIONAL LEVEL. THAT PROCESS IS NOW BEING CARRIED FORWARD BY THE NEW ECONOMIC PLANNING ADVISORY COUNCIL.

THE SUMMIT WAS A LANDMARK IN RECENT AUSTRALIAN POLITICAL HISTORY.

IT WAS THE VISIBLE MANIFESTION OF MY GOVERNMENT'S WISH TO PUT THE DIVISIVENESS AND CONFLICT OF THE RECENT PAST BEHIND US AND, IN ITS STEAD, TO BUILD A SPIRIT OF NATIONAL CONSENSUS AND CO-OPERATION.

AT THE SUMMIT, REPRESENTATIVES OF FEDERAL, STATE AND LOCAL GOVERNMENTS, OF BUSINESS LARGE AND SMALL, OF THE UNIONS AND OF PROFESSIONAL AND OTHER ORGANIZATIONS GATHERED TOGETHER IN WHAT, IT IS NOW APPARENT, WAS A SUCCESSFUL QUEST FOR A COMMON NATIONAL PURPOSE.

THROUGH THE SUMMIT WE CREATED A CLIMATE FOR COMMON UNDERSTANDING OF THE SCALE AND SCOPE OF AUSTRALIA'S PARTICULAR ECONOMIC CRISIS IN THE CONTEXT OF A RECESSED INTERNATIONAL ECONOMY. WE EXPLORED THE POLICY OPTIONS AVAILABLE. AND WE ENSURED THAT THE RELEVANT PARTIES CLEARLY APPRECIATED THE ROLE EACH WOULD HAVE TO PLAY IN PULLING AUSTRALIA OUT OF THE RECESSION.

AT THE SUMMIT, FOLLOWING PRESENTATION AND DEBATE OF SEVERAL ECONOMIC SCENARIOS, A BROAD MACRO-ECONOMIC STRATEGY WAS SUPPORTED BY THE PARTICIPATING REPRESENTATIVES OF BUSINESS. GOVERNMENTS AND UNIONS.

AN AGREEMENT OF THIS KIND HAS NO PRECEDENT IN AUSTRALIA. IT HAS BEEN CENTRAL TO THE CURBING OF INCOME CLAIMS, RESTRAINT IN THE LEVEL OF FEDERAL GOVERNMENT BORROWING, AND TO THE RESTORATION OF RELATIVE PEACE IN THE AUSTRALIAN INDUSTRIAL RELATIONS SCENE. THESE ARE NO SMALL ACHIEVEMENTS. THEY EXPLAIN IN PART THE RESURGENCE OF INTERNATIONAL CONFIDENCE IN AUSTRALIA AS ONE OF THE WORLD'S MOST RELIABLE ECONOMIC PARTNERS.

THE SUMMIT WAS NOT A ONE-OFF EVENT. WE HAVE FOLLOWED UP, AS I MENTIONED EARLIER, WITH THE ESTABLISHMENT OF A SMALL, INDEPENDENT, REPRESENTATIVE ECONOMIC PLANNING ADVISORY COUNCIL (EPAC) TO CONTINUE THE PROCESS OF CONSULTATION WHICH BEGAN AT THE SUMMIT. AS PRIME MINISTER I CHAIR MEETINGS OF EPAC. EPAC HAS ALREADY MET SEVERAL TIMES AND IS EXPANDING THE INFORMATION BASE AVAILABLE FOR AUSTRALIAN ECONOMIC POLICY FORMULATION. THE COUNCIL IS FOCUSING ON MEDIUM AND LONGER-TERM ECONOMIC ISSUES, AND IS PUTTING FORWARD POLICY SUGGESTIONS DESIGNED TO PROMOTE ECONOMIC GROWTH. AS A FORUM FOR CONSULTATION AND REPRESENTATION IN ECONOMIC MATTERS IT HAS NO PRECEDENT. IN AUSTRALIA, IT IS ALREADY PROVING ITS WORTH TO GOVERNMENT AND, PERHAPS MORE IMPORTANTLY, IS WIDENING THE BASE OF COMMUNITY AWARENESS AND INVOLVEMENT IN THE CRUCIAL ISSUES OF ECONOMIC MANAGEMENT.

WE ARE ALSO SEEKING TO FACILITATE AN ONGOING SPECIFIC DIALOGUE WITH MANUFACTURING INDUSTRY.

THE GOVERNMENT'S OBJECTIVE IS TO PROVIDE MECHANISMS FOR THOSE INVOLVED IN INDUSTRY AND GOVERNMENT TO WORK TOGETHER TO DEVELOP EFFICIENT, INTERNATIONALLY COMPETITIVE AUSTRALIAN MANUFACTURING.

OUR PARTICULAR AIM IS TO SECURE TO THE MAXIMUM EXTENT POSSIBLE SHARED PERSPECTIVES GROUNDED IN A REALISTIC APPRECIATION OF MARKET CONDITIONS. WE APPLIED SUCH AN APPROACH IN THE STEEL INDUSTRY PLAN. MY MINISTER FOR INDUSTRY AND COMMERCE, SENATOR BUTTON, IS CURRENTLY RESTRUCTURING THE AUSTRALIAN MANUFACTURING COUNCIL WITH THIS AIM IN MIND.

THE LONGER PERSPECTIVE (UNDERLINED)

THERE WOULD BE SUPPORT IN AUSTRALIA FOR THE VIEW THAT, IN THE PAST, THE ABSENCE OF SOUNDLY-BASED FORWARD PROJECTIONS OF ECONOMIC AND INDUSTRY TRENDS HAD CAUSED INDUSTRY AND GOVERNMENT TO RESPOND EXCESSIVELY TO SHORT-TERM PRESSURES, RATHER THAN TO EXPLICIT LONG-TERM GOALS. THE RESULT HAS BEEN MORE PAINFUL PROCESSES OF ADJUSTMENT, AS WELL AS ADJUSTMENT FAILURES AND MISSED OPPORTUNITIES.

I HAVE ALREADY SUGGESTED TO EPAC THAT I SEE REAL VALUE IN THE PREPARATION OF AN AUTHORITATIVE STATEMENT OF TRENDS IN PARTICULAR MANUFACTURING INDUSTRIES AS WELL AS IN THE WHOLE ECONOMY. SUCH A STATEMENT MIGHT ANALYSE EMERGING PATTERNS OF ACTIVITY, AND RELATE THOSE PATTERNS TO A CONSISTENT GOVERNMENT POLICY FRAMEWORK. AMONG OTHER THINGS, THAT ANALYSIS COULD STAND AS A BENCH-MARK AGAINST WHICH CORPORATE PLANNERS MIGHT MEASURE THEIR OWN EXPECTATIONS.

ISSUES IN STRUCTURAL ADJUSTMENT (UNDERLINED)

A FIRM GOVERNMENT COMMITMENT TO WIDE-RANGING CONSULTATION, AND THE DEVELOPMENT OF AN AUTHORITATIVE LONGER-TERM DATA BASE FOR ECONOMIC AND INDUSTRY TRENDS, ARE IMPORTANT FOR THE TYPES OF CHANGE REQUIRED IN AUSTRALIA'S MANUFACTURING SECTOR.

WITH MORE FAVOURABLE MACRO-ECONOMIC CONDITIONS EMERGING, AUSTRALIANS CAN MORE CONFIDENTLY ADDRESS THE CHANGES WHICH WOULD BE ASSOCIATED WITH THE MOVEMENTS TOWARDS A MORE COMPETITIVE, EXPORT-ORIENTED MANUFACTURING INDUSTRY.

ON THE BASIS OF MY OWN EXPERIENCE AS A MEMBER OF THE CRAWFORD COMMITTEE ON STRUCTURAL ADJUSTMENT, WHICH MET IN AUSTRALIA IN 1978/79 I WOULD SAY THAT AN UNDERSTANDING OF THESE HAS BEEN DEVELOPING FOR A NUMBER OF YEARS. I HAVE ALSO BEEN IMPRESSED THAT IN MY OWN RECENT CONTACTS WITH AUSTRALIAN EMPLOYERS AND UNIONISTS, MANY OF THEM HAVE DEMONSTRATED A STRONG AWARENESS OF THE NEED FOR A FRESH APPROACH TO AUSTRALIAN INDUSTRY ASSISTANCE POLICY. THE IMAGE OF AUSTRALIAN EMPLOYERS AND UNIONS BEING IMPLACABLY OPPOSED TO NEW APPROACHES IS QUITE WRONG.

IN AUSTRALIA THE ASSUMPTIONS OF AUSTRALIAN MANUFACTURING INDUSTRY POLICY ARE COMING UNDER CLOSER SCRUTINY. ISSUES COMING INTO FOCUS, SUCH AS IN THE CONTEXT OF THE RECENTLY COMPLETED REVIEW OF THE FUNCTIONS AND OPERATIONS OF THE AUSTRALIAN INDUSTRIES ASSISTANCE COMMISSION, INCLUDE: DEFINITION OF PRECISE GOALS., DETERMINATION OF THE TIMING OF THE PROCESS OF ADJUSTMENT., SELECTION OF APPROPRIATE POLICY INSTRUMENTS., CONSIDERATION OF NECESSARY INSTITUTIONAL

AND ADMINISTRATIVE ARRANGEMENTS., AND ATTENTION TO THE EQUITABLE DISTRIBUTION OF THE SOCIAL COSTS OF STRUCTURAL ADJUSTMENT.

INDEED, I WOULD LIKE TO EMPHASIZE THAT I SEE NO POINT IN ENCOURAGING CHANGE SIMPLY FOR THE SAKE OF CHANGE, AND EVERY POINT IN ENSURING THAT CHANGE IS GRADUAL AND ITS IMPLICATIONS APPRECIATED TO THE MAXIMUM POSSIBLE EXTENT BY PEOPLE AFFECTED BY IT.

IN THIS AREA THERE IS MUCH WISDOM IN THE PROVERBIAL INJUNCTION 'TO HASTEN SLOWLY'. FURTHERMORE, EVEN WHERE CHANGE IS JUSTIFIED, AND IN THE COMMUNITY'S INTEREST, WE MUST STILL ENSURE THAT THOSE AT THE FACE OF CHANGE ARE NOT ASKED TO BEAR ITS COSTS ALONE. IF CHANGE IS TO BE JUSTIFIED IN TERMS OF THE BENEFIT TO THE COMMUNITY AS A WHOLE, THEN THE COMMUNITY MUST SHOULDER THE BURDEN, AND MECHANISMS MUST BE DEVELOPED FOR DISTRIBUTING THE COSTS AND BENEFITS EQUITABLY.

BUT IT IS CLEAR THAT AUSTRALIA WILL HAVE TO MOVE AWAY FROM POLICIES WHICH HAVE AS THEIR ONLY FOCUS THE RESTRICTION OF IMPORTS, AND TO INTRODUCE PROGRAMS AIMED TO FACILITATE STRUCTURAL CHANGE AND DEVELOP STRONG, EFFICIENT AND COMPETITIVE INDUSTRIES.

WE BELIEVE THERE WILL BE MANY EXAMPLES WHERE THE EMPHASIS ON PRODUCTION EFFICIENCY COULD SO STRENGTHEN AUSTRALIAN INDUSTRY THAT IMPORTS WOULD BE RESTRICTED MORE EFFECTIVELY BY NEWLY-WON COMPETITIVENESS, THAT THEY COULD REASONABLY BE BY RESTRICTIONS ON TRADE. OUR RECENT EXPERIENCE SUGGESTS THAT STEEL IS ONE SUCH EXAMPLE, AND MOTOR VEHICLES MAY BE ANOTHER.

I HAVE FOR A LONG TIME BELIEVED THAT COMING TO TERMS WITH TECHNOLOGICAL CHANGE IS IMPORTANT IF INDUSTRIES ARE TO MAINTAIN THEIR COMPETITIVE EDGE.

I FULLY APPRECIATE THAT MEN AND WOMEN, FACED WITH THE POSSIBILITY OF LOSING JOBS AS A RESULT OF TECHNOLOGICAL CHANGE AND STRUCTURAL ADJUSTMENT, LOOK ON IT WITH FEAR AND CONCERN.

THOSE SAME PEOPLE, MOVED UNDERSTANDABLY BY PERCEPTIONS OF THEIR OWN IMMEDIATE SELF-INTEREST, MAY DEMAND OF GOVERNMENTS THAT THEY RESIST CHANGE AND REFRAIN FROM DEVELOPING APPROPRIATE MECHANISMS FOR ITS ACCOMMODATION. BUT IF THEY DO, THEY CONDEMN THEMSELVES AND THEIR CHILDREN TO LOWER RELATIVE LIVING STANDARDS AND A DIMINISHED FUTURE.

TECHNOLOGICAL CHANGE AND CONSEQUENT ADJUSTMENTS ARE INEVITABLE. NO PEREPARING FOR THEM NOW WILL ONLY MAKE WORSE THE HURST FELT WHEN IT COMES.

OBVIOUSLY A FLEXIBLE AND SKILLED WORKFORCE WILL BE BETTER ABLE TO ADAPT TO CHANGING CIRCUMSTANCES.

I BELIEVE THERE ARE REAL LESSONS TO BE LEARNT BY AUSTRALIANS FROM THE FLEXIBLE AND ADAPTABLE JAPANESE APPROACH TO SKILLS DEVELOPMENT. RATHER THAN LEAVING THESE MATTERS ENTIRELY TO GOVERNMENT, I SHOULD LIKE TO SEE MANY MORE AUSTRALIAN EMPLOYERS AND UNIONS TAKING A GREATER INTEREST IN, AND RESPONSIBILITY FOR, DEVELOPING THE SKILLS OF EMPLOYEES. BY HELPING TO PROVIDE TRAINING AND RETRAINING, THEY SHOULD BE ABLE TO ALLEVIATE SOME OF THE INSECURITY AND POTENTIAL INDUSTRIAL PROBLEMS WHICH EMPLOYMENT CHANGES MIGHT BRING.

MY GOVERNMENT IS CONCERNED TO ENSURE THE AUSTRALIAN EDUCATION SYSTEM IS PROPERLY GEARED FOR THE TECHNOLOGICAL AGE. WE SEE THIS AS BEING ESSENTIAL IF OUR PEOPLE ARE TO REALISE THEIR FULL POTENTIAL AS INDIVIDUALS, AND IF THE COMMUNIT IS TO MAXIMISE THE BENEFITS OF ITS HUMAN AND TECHNICAL RESOURCES.

CONCLUSION (UNDERLINED)

IT WILL BE EVIDENT FROM WHAT I HAVE SAID TODAY THAT, DESPITE THE DIFFERENT HISTORICAL, SOCIAL AND ECONOMIC TRADITIONS IN AUSTRALIA AND JAPAN, THERE IS MUCH IN THE JAPANESE APPROACH TO MANUFACTURING INDUSTRY POLICY THAT HAS RELEVANCE TO AUSTRALIA.

IN PARTICULAR, THAT EXPERIENCE DRAWS ATTENTION TO THE REALITY THAT PROBLEMS OF STRUCTURAL ADJUSTMENT ARE LIKELY TO BE EXACERBATED IF THE POSITIVE BENEFITS FROM SUCH ADJUSTMENT ARE NOT UNDERSTOOD BY THOSE DIRECTLY AFFECTED. I SEE IT AS IMPORTANT THAT THESE BE MADE EVIDENT TO THE AUSTRALIAN COMMUNITY AND THAT THERE BE A BROAD NATIONAL AND INDUSTRY-BASED CONSENSUS IN SUPPORT OF THE APPLICATION OF NEW TECHNOLOGIES AND POLICIES WHICH MAKE STRUCTURAL CHANGE FEASIBLE AND ACCEPTABLE.

WITH MR NAKASONE A COUPLE OF DAYS AGO, I DECLARED AUSTRALIA'S SUPPORT FOR A MORE OPEN MULTILATERAL TRADING SYSTEM. I RECOGNISE THAT IN THIS CONTEXT AUSTRALIA MUST BE PREPARED TO ENCOURAGE DOMESTIC INDUSTRIES TO BE COMPETITIVE INTERNATIONALLY, AND TO REVIEW AREAS OF HIGH PROTECTION WITHIN THE FRAMEWORK OF THE APPROACH TO MANUFACTURING POLICY I HAVE OUTLINED.

THE TASK WILL NOT BE AN EASY ONE. BUT SUCCESS WOULD MAKE THE EFFORT WORTHWHILE.