



# PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP  
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PM: Earlier I published a document to you, a background statement, for the meeting on Youth Training and Employment, and a few of you expressed an interest in me making a few introductory remarks about it and taking some questions, so I am quite happy to do that.

Perhaps I could begin with these few points. I think what the paper shows is that the problem with youth unemployment has arisen from changes in the labour market over a very extended period of time, from the 1960s onwards, over the last thirty years economic, social and technological changes have fairly radically altered the types of jobs which young people are now competing for. On Wednesday the National Meeting on Youth Training and Employment will bring together young people, employers, unions, community groups and the Government, and those at the meeting will benefit from the different perspective being put, and will tackle directly the two key issues. The two key issues are; the longer term issue of assisting young people to make the transition from school to work, and the immediate issue of how best to help the current group of young unemployed obtain employment.

So the purpose of this statement is to set out a framework for understanding and tackling the issues surrounding the training and employment of young people, including of course, the problem of youth unemployment.

The ideas contained in this paper will be discussed at Wednesday's meeting, as well of course the ideas and proposals of other proponents. Following the meeting on Wednesday the Government will carefully consider the views canvassed at the meeting, that's

in the period subsequent to the meeting, and I will announce specific measures in these areas in the following week.

I think you will agree the Statement does contain a lot of interesting information and perceptions on the problems. It stands, might I say, an obvious and stark contrast with the efforts of the Opposition, who without serious thought have dismissed technological and compositional changes to the labour market for young people. They have now approached the training issue as an afterthought and piecemeal at that, and who crudely believe a massive slashing of youth wages will solve the problem. Well unlike the Opposition, the Government will be viewing the later teenage years as a period of vocational preparation and will be doing all that is sensible, all that can be done to put arrangements and resources in place, to allow that vocational preparation to be undertaken. There is a distinct and truly marked contrast between the way in which the Government is approaching the issue, both on a long run basis, in respect of the transition from school to work, and for those in the shorter run who are unemployed before that transition and pathways are established. That's what the paper is about, and of course as I say, it is in marked contrast to the Opposition who for training, their policies, their fightback proposals have virtually nothing for training and they have now tried to tack training on as an afterthought, when training is part of the essence of such a structural shift. So I am sure the paper will be interesting to you and if you would like to put questions to me I will try and deal with them.

J: Prime Minister ... arguing that there is in fact no quick fix. In fact, it says by the year 2001 at least 95 per cent of nineteen year olds should have completed year 12 or postschool qualification, that's a long way off from solving today's problems, isn't it?

PM: No, no. There are two problems here. The proportion of children completing year 12 now is over 70 per cent, that was only 30 odd per cent in 1983. So if we had of taken that approach in 1983 saying this is a long-term problem that is too hard there would still be 30 per cent of kids only completing year 12. Well there is now over 70 per cent of kids completing year 12. Getting up to the nineties is a very desirable thing to do. So that's the longer run transition, the school to work transition, the pathways, the things which are mentioned in the Carmichael Report. But there are those, as we say in the statement, who will have lived through their later teenage years before this transition is in

full swing and who are now currently unemployed, and we will be focussing on them as well.

J: Prime Minister, will you have by Wednesday a form of agreement between the States and the Federal Governments on the TAFE, or the future, the shape of the TAFE system?

PM: Well that remains to be seen. I have been working on this problem now for a couple of weeks, so has Kim Beazely, and we have had, I think, quite long and we hope fruitful negotiations with the States, and getting a break through here is a very tall order, this is a system which is essentially managed by the States, and most of the resourcing comes from the States. The fact is they can't keep the growth up to the system, and that's why we think there is a case for national leadership, national policy and national funding. But it has to be run cooperatively, obviously, because the Commonwealth has not been the TAFE manager, and it is trying to construct a new system which would be a very revolutionary change and of course an entirely important change in the history of our federal arrangements to be able to bring such a system together and make it work. Now, we are still working on it.

J: The TAFE system hasn't been that efficient in the past, how is it going to be made more efficient by superimposing yet another level of bureaucracy on it?

PM: Well I think that, when you say that it has not been efficient, the truth is it hasn't had the throughput which the nation needed of it. As we say in the paper we have had a 43 per cent increase in university graduations but in terms of TAFE exits there has been a decline. So it has not been keeping up. What we need is national training profiles, we need training profiles related to industry and we need volume, we need resources, and that can't be done without the Commonwealth, nor at this stage can that be done without the States.

J: It is envisaged, I think, isn't it over time that an increasing amount of the money would come from Commonwealth sources? In that case does that imply increasing national control?

PM: Well the arrangement we are working on is about that control being somewhat more diffuse between the Commonwealth and the States, but national control we have as an objective, certainly. Not Commonwealth controlled. I don't know whether you meant Commonwealth or National.

management will always be the hallmark of the Government, and we've made that clear in recent times and will continue to make that clear.

Q: Mr Keating out in the community there's a great deal of, there seems to be an increasing amount of scepticism about Government statements of various types and the community seems to think the Government is trying to be seen to be doing something but not having much effect. Are you worried that the Youth Statement could be seen that way as well?

PM: You think that we want to be dealing in anti-intellectual policies, that is that we don't actually articulate policies and we don't try and solve things lest people think we're trying to do something. Well is that the state where our journalism is really, where our public comment is?

Q: Mr Keating you've talked about two aspects of the problem in the paper, the long-term one and trying to get people into that frame of mind where they stay in education and training opportunities longer, it ... talks about the immediate short-term problems for kids who are caught in transition at the moment. In that context how important are the kind of youth corp land degradation projects?

PM: You're now asking me to look at various proposals and responses. .... The paper is basically there to paint an overview of the whole problem. I mean this has been a problem which has developed over a long period of time and which will now only be solved by clear paths and policies designed to make that transition from school to work, and at the same time, for those as I say, whose latter teenage years have arrived now before that transition, the fine policies which get them back into a labour market. As we say there's some figures there about the generation about the current young unemployed people are actually in that unemployed pool, and the role of labour market programs. Obviously we want to try to get those people back into work, back into work experience, but it's the longer run transition of the great bulk of young people who are currently in school that we want to see go into the labour market with training, in properly formed paths, and if we can do that, and if part of that can be, a substantial change in the way in which the TAFE system functions and works in Australia it will be a milestone reform.

Q: ... the immediate problem are you tempted then by suggestions of the kind from Peter Hollingworth about youth corp, job corp projects?

- PM: Everyone attending the meeting including Archbishop Hollingworth will put those propositions and we'll consider those in the course of the week.
- Q: But they're out there now?
- PM: Well, wait for the response.
- Q: Prime Minister are you keeping a very careful eye on the row between the Liberals and the Nationals of New South Wales?
- PM: Well I've been keeping an eye on it for weeks, I mean if you go to the country newspapers of the areas of Hume and the other surrounding Federal seats you'll find there's been a very bitter war being conducted by the Liberal and National Parties on each other, but the clear point in all this was that the New South Wales Liberal Party is not going to let its political imperative slip or be talked down, in the interests of the National Party, by the Federal Liberal leader. They say the Party's got prerogatives, our commitments are long term, that of the Party, and involving other long term people, people committed long term to the Party like Wal Fife, and they object to the fact that this sort of careerist approach, which Dr Hewson has to his political life is one that basically sells down the drain the Liberal Party, long term Liberal Party structural interests. So this is an argument of some proportions.
- Q: Sir how has that differed in keeping Leo Macleay in his job?
- PM: Sorry
- Q: How does that differ then from the careerist point of Leo Macleay?
- PM: A great deal. If I said to my Party that I wanted a change of policy and my Party said no, you would all write, Prime Minister no longer in charge, Party decides for him. Dr Hewson has said to his Party that these contests ought to be decided to favour the National Party and his Party has said no. And as Mr Murray said yesterday anybody who can't make their Party deliver on such important fundamental things if they're that weak, said Mr Murray, they shouldn't be seeking to be the Prime Minister of the nation.
- Q: Liberals are too democratic are they?
- PM: I don't think democratic would be the word for it. The fact is the Liberal Party's got long term organisational interests, which Dr Hewson does not identify with, and they're reminding him of his

responsibilities, but reminding him in a very sharp way.

Q: Can you guarantee young people that at the end of the day we won't simply have a much better trained, better educated group on unemployed?

PM: Absolutely, look at the '80s experience, people who are training themselves were taken up in employment and if you look at the information contained in there about the responses by industry, lack of maturity, school levels too low, lack of relevant training, all those numbers, those very high 87%, 83% indicate that the absence of training is a real impediment to getting a job. So, hankering for untrained work in a labour market which is technologically been subjected to great technological change is basically hankering back to the 1960s, in their past, the labour market of those days is a thing of the past.

Q: But orders decide unemployment or decide employment levels ...

PM: Yes, sure, orders of what products? What products? Services. All the sort of things we now have in the economy we didn't have in the 1960s.

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