



PRIME MINISTER

TRANSCRIPT OF OPENING REMARKS BY THE PRIME MINISTER,
THE HON P J KEATING, MP TO THE NATIONAL MEETING ON YOUTH
TRAINING AND EMPLOYMENT, PARLIAMENT HOUSE, CANBERRA
22 JULY 1992

E&OE PROOF COPY

Well thank you very much, I think we might call the meeting to order. Could I begin by saying that I have already had the pleasure of meeting most of you this morning, as have my colleagues, but could I say formally on their behalf and mine welcome to this meeting. It is very gratifying to see you here and it is a reflection of, I think, the concern that Australia feels at the moment for unemployment, the problems which come with it and particularly as the problem attends our young people. We all know, I think, that unemployment in the kind of society we have is not the shock absorber in the economic system. We don't regard it as a buffer at the end of the station, we don't believe that a group in a society should carry the adjustment burden of any economy, in a transition no matter how important or fundamental, that that kind of policy approach is unacceptable, and that the fairness and sense of equality and egalitarianism of Australia as always deigned that everyone should have a right to a job regardless of age. And it has been on that basis that we have as a country operated. Structural unemployment is of course not a new phenomena for us or many other countries, but in the last ten or fifteen years of quite rapid world change, change in trade, and change in the structure of economies we have seen this appear. And it is difficult to deal with it, and we now have compounding that problem unemployment coming from the cycle of the recession. We are now emerging into recovery, but the unemployment is still with us. It is a social evil and we have got to do what we can to beat it, and as a Government, may I say, for the years 1983, certainly up to 1990, we took the view that unemployment had to be dealt with and that employment should be an express outcome of policy, that employment should not be simply a residual which falls out the bottom of the growth numbers, but was an express objective of policy. And that's why I think we have progressed so far. That is, in the '80s we were able to

grow our labour market at about three times the pace of most comparable countries, and why today the labour market is still 25 per cent larger than it was in 1983. But the fact is that growth stopped, unemployment has risen, and we have now got to do all in our power to get it down. Yesterday in respect of the fortunes of young people and youth unemployment, we took I think a great leap forward in what I think one can conscientiously describe as an historic change. We arrived at an agreement, the Commonwealths with the States, to establish a National Training Authority, that is to make another path-way in education beyond that which we have now through the tertiary system and through compulsory education. And as all of you who are interested in this subject know, almost half of the kids who live school are untrained. And part of the reason for that is that we have never really had the structures in place to train them. So, at least from the Governments' perspective, Governments plural, we put our heads together and I think came up with a cooperative model which will allow the Commonwealth and the States to work together for the benefit of Australian young people, and those mature age students who will also find themselves in vocational education. But I think today, that was yesterday, but today I think we can do more. But we have to advance on three fronts. Obviously growth is key to whatever we might do and the economy is now growing again and we shouldn't be too forlorn about its prospects, there's every chance that in the year to June the economy will grow by about 2 per cent. This compares with growth over the same period in Europe of about 1.7. So we're doing as well or better than comparable countries. We're not growing as fast as parts of Asia but we are growing certainly as fast or faster than Europe or North America. In the coming year we expect to be growing much faster, of the order of 4 per cent. And it is, as we all know, GDP, growth, which pulls up employment. And when one sees any graphic illustration of employment and growth, they go together, one line with the other, whenever we see a lift in GDP, in growth in output, we see a lift in employment. The problem for us now is we're living with the lag, the lag which comes from higher productivity, more output being produced by fewer people, in the first instance, to see employment pick up later. So growth is the key, and no matter what we do here today, no matter how clever we think some of our solutions may be, if the growth isn't there of course it will retard our progress.

The second front, I think, is education and training. And that goes right across the gamut of the system, from school, primary to secondary education, retention in secondary education and as we've been prone to say lately, we've taken that participation rate from 3 in 10 in 1983 to now 7 in 10 and we want to see that get to 9 in 10 before too much longer, and we've now very rapidly and dramatically expanded higher education with a 50 per cent addition of tertiary places since the middle 1980s.

The key now is to get that school to work transition into place and to look at structured training which can only really come with the notion that the later teenage years are years of vocational preparation, and where it's now up to us to see that there are pathways between school and work and that it's no longer acceptable for those of us who are involved in society to take the view that half of the school leavers can just meander their way through a labour market untrained to find that opportunities are denied them. So education and training, I think, is the second front.

And the third front is to help the unemployed now. That is, particularly those young people whose later teenage years will precede the more fundamental transitions from school to work, the more structured training arrangements which are portended in the Carmichael Report and in other places those people who are disadvantaged now, that's the other front we have to work on - to deal with the unemployed now.

So we've invited you here today, each of you, because we know you've already done things, and are doing things, about these problems, about unemployment generally. And particularly about unemployment for young people and we're particularly gratified that we've had many young people themselves participate in the process and give us the benefit of their views which we will also see again today, with further expression by them of their opinions.

For the Government's part, we will listen attentively to what's said. The process of national meetings on points of difficulty in society, has been I think a good one over the last decade or so, and it does give governments a chance to listen to what the community has to say and fashion policy accordingly. So we will listen, we'll take note, we've got a reasonable structure in our own ideas already, as would be obvious, but we want to try and assimilate some of the views which are put today with those ideas and to produce a structure of value.

So the Government will not be responding today, because to do so would be to not take the views of people seriously because obviously they can't be considered at the same time as they're being put. But we will respond next week, after we digest what has been put today and when we have the time, the thinking time and the time to structure a response, a sensible response and to structure a response sensibly.

So could I just say, I conclude on those remarks again by saying it's very gratifying to see you here.

Thank you very much for coming. We'll be having an open session this morning of about, I think, five speeches including my own, two from two young people representing

the Australian Youth Policy and Action Coalition Delegation, one from the ACTU, from Bill Kelty and another from Eric Mayer the chair of the Business in the Community for Young People and following those speeches we will then move into closed session, where we can have a general discussion, and I think, take other presentations.

So with those few words I think we'll move the agenda on and I might ask now Miss Belinda Cant to address the meeting.

ENDS