



PRIME MINISTER

SPEECH BY THE PRIME MINISTER, THE HON P.J. KEATING, MP

NATIONAL PRESS CLUB, CANBERRA, 5 MAY 1994

If I were to begin with a quotation today, you might expect it to be from Ben Chifley or John Dedman, or Bevan or Beveridge, or some other author of a white paper on employment.

I will begin with a quotation. It's a very simple quotation and it's from Samuel Johnson, who is not generally regarded as one of the heroes of the Labor movement. Johnson said, "In a civilised society, we all depend upon each other".

And I can't think of a better text for the day. I can't think of any more appropriate injunction for Australia in the 1990s or any better broad definition of what this Government is about.

We are about a civilised society.

And we shouldn't underestimate the forces working against us. Think of them. We are as culturally diverse as any country on earth. We have people among us who in other places are sworn enemies. But we do behave with proper regard for one another. Even though we have close to half a million long-term unemployed, we live in peace with one another.

The other force potentially working against our sense of society is the necessity to be competitive. This might encourage us to think that the way to succeed is through a creed of dog-eat-dog.

Some countries whose traditions should have instructed them better did read it that way in the last 20 years. They took the imperatives of economic progress to mean social regress.

Australia did not. Australia in the last decade has stuck by its civilised traditions. At every election, including the last when, after ten years of the same Party in office and the worst unemployment figures in sixty years, the temptation was great, the Australian people refused to vote for a dog-eat-dog society.

They stuck by the principles which have their origin in the birth of the Labor movement a century ago and in those true Liberals who believed that the imperatives of civilisation should temper self-interest.

There was a profound lesson in last year's election. The people of Australia were given a genuine choice: should Australia take on the ethic of unmitigated self-interest? Or should they stand by their own values?

It will not have escaped some of you, that Labor won that election by making the difference as stark as possible. I know John Hewson has been inclined until recently to say that we ran a scare campaign.

My answer to that is read Fightback. Remember what John Hewson said about the unemployed and the disadvantaged. The echoes of Thatcher and Reagan were clear and unmistakable.

The notion that if you reach back for the poor and the weak they will drag you down, quite simply, stands for a set of values which Labor will never stand for and I don't believe Australians will ever stand for.

That remark, as much as Fightback itself, threw down the political gauntlet. It challenged Australians to abandon a century-old tradition which even at its worst (in Labor's eyes at least) his own Party had never totally abandoned. Labor did not run a scare campaign, it put the traditional view - that "in a civilised society we all depend upon each other".

Faced with this stark choice, the Australian people voted for their beliefs. They voted for one nation, not two. They voted for bringing the unemployed along with us. They voted for what I called policies of inclusion - a phrase which our opponents are now using.

This idea of "inclusion" is unremarkable. It simply encapsulates the idea of a nation - even a nation which for all sorts of geographic, demographic and historical reasons is as loosely constructed as Australia. It encapsulates a nation of people as diverse and easy going and individualistic as Australians are.

It poses no threat to that marvellous reality of Australian life and culture. It simply means that "we all depend upon each other".

The fact that Johnson said it at a time when Britain was treating her own people abominably, hanging and flogging the poor and preparing to shovel them off to the other side of the world where they would be out of sight and out of mind, only goes to show that words are not enough - the only proof is what people do.

Whatever our problems as a Government since 1983, I hope we will at least be judged as a government which did things.

Had words been enough for the Government in 1983, we would still be talking about the need for Australia to be a competitive country. We would still be talking about deregulating the economy. We would still be talking about lowering the tariff wall. We would still be talking about opening up to the world and succeeding not just in mining and agriculture, but as a manufacturing nation. We would still be talking very largely about succeeding in the Asia-Pacific.

There are many things we would still be talking about. But instead we did them. In 1994, Australian workers are doing them. The regions of Australia are doing them.

And had we been satisfied with words alone, we might still be talking about the need for extensive and sophisticated social services. About what a nice thing it would be, and how consistent with our democratic pioneering traditions, if we implemented to an extent greater than any other country in the world the UN Convention on the Elimination of Discrimination Against Women.

Or how we might one day recognise that this continent had belonged to Aboriginal and Torres Strait Islanders. We could very easily still be talking about these things, but we have done them.

In 1994 we live in a country which has few peers in the world in the way it has transformed its economy, developed its social services, extended freedom and opportunity, and maintained its values through an era of extraordinary change. We live in a country which has responded to every challenge.

We should never underestimate this. Few, if any, generations of Australians have proven themselves more comprehending of what the challenge was and what was required to meet it.

As a member of the Government in these last eleven years, I am proud that we painted a picture of the reality. As an Australian, I am much prouder of the fact that the people of this country recognised it. The Labor Party recognised it, the trade union movement and an increasingly large section of the business community, and the Australian electorate.

They recognised that cooperation in workplaces was better than conflict. They recognised that we could be a manufacturing nation without a tariff wall. They recognised that we could succeed in the Asia-Pacific.

And why did they recognise it? Because they believed in themselves and that in their country there was a wellspring of potential which had not yet been tapped.

They had what these days is called a vision - and they knew that the best way of realising it was to work with a common purpose, to work together.

In other words, they recognised that in a civilised society, we all depend upon each other.

The White Paper I presented yesterday is prefaced with a reminder of the things I said on election night last year and on Australia Day this year. The words were that we would not leave the unemployed behind.

There have been a few critics of this White Paper today who say that we should leave them behind. They say it in various ways. They do not say it directly. They say that to prepare the long-term unemployed for jobs, is to create competition for the short-term unemployed.

This is the moral equivalent of transportation. It is to say these people have lost their right to a job like other Australians and we have lost our capacity and our will to get them ready for a job. They are simply a problem and should be ignored. We won't have it.

There is another argument which says that we shouldn't pick them up, and train them, and get them back into the labour market where they can enjoy, not just an income, but the self respect and social intercourse and creativity which work provides, because the cost is too high.

This is the moral equivalent, not of transportation, but of keeping them on the hulks - keeping them in jail because it is cheaper. It takes no account of what the cost of doing nothing is - the cost to their lives and the cost to ours. The cost to our social cohesion and order if we were to allow an underclass of Australians to form.

The cost also to our skills. The cost of wasting this potential. The cost to our civilisation of saying that we don't depend upon each other - that these people are expendable.

There is another argument that has been put. It says that the only way that we will create jobs for these people is to so change our industrial relations system that wage rates and conditions of employment will be debased.

This, it seems to me, would be to betray the unemployed as profoundly as neglect would betray them. It would be truly a cruel hoax on Australia.

This argument says we will substitute an army of working poor for unemployment. It says we will abandon our goals of a good and equitable society, we will lower our gaze to a society where differentials of wealth are wide and profound. We will have the same problems of social disorder and alienation and decay - but we will have the unemployment figure down a couple of notches.

The argument is not only devious, regressive and deceitful, it's fundamentally wrong. As the Green Paper pointed out, cutting wages in the great depression did not produce a surge in employment. It made those high-minded, comfortable, middle-class economists feel very morally superior, just as it makes some of our own academic and journalistic pundits feel superior - but it didn't solve the problem then, and it won't solve it now.

Many of you would have read the Phillip Knightley article recently in which he described how in Great Britain they have lowered wages - security guards can be paid as little as \$2.50 an hour for an 84 hour week. There are women doing piece work for \$6.30 a day. The chairman of the company employing them at that rate earned \$270,000 a year. He said "we wouldn't get the productivity if we paid an hourly rate".

I will never accept for Australia the notion of a competitive economy being a synonym for social regression.

Nor do I have to describe to people here the tragedy of American poverty. Some of our opponents point to the American unemployment rate of 6 1/2 per cent and say that is the model for us to follow. To which I would reply if you would like to fight the next election on your support for an American social model and our support for an Australian one, we will be very happy to do so.

As Geoff Kitney pointed out today, America is also paying an enormously high price for widening the dispersion of wage rates.

Those who criticised the White Paper make one fundamental error - or at least a fundamental misjudgement about this Government. A long while ago, we committed ourselves to finding a place for Australia in the very front rank of nations.

The point of opening up this economy and deregulating it, and lowering tariff walls, and building an export culture, and best practice, was to make sure that Australia became a player in the premier league. I mean where the technology is, where the high value adding is and where the best jobs are.

To opt for any other goal is to opt for a place in the second division - where the second rate jobs are and where the national pride is missing.

Now we are not going to opt for the premier division in the global economy and, at the same time, opt for the second division in our social goals. We are not going to accept social decay, human alienation, rising levels of crime, a loss of faith and belief - in other words, an underclass cut off from the rest of the nation.

We did not take the economic path we have to end up with a second rate country. It is so plainly true - you cannot have a first rate economy and a second rate society.

Let me give you just one little example of what I mean. When McKinsey surveyed firms in regional Australia, they found that just 4 per cent among them thought wage costs were an impediment to growth. Increasing productivity and seeking out new opportunities were the keys to the way forward.

The White Paper is not proof of success. But it is proof that this Government continues to believe that words alone are not enough. We will do what on a strenuous appraisal of the evidence presents itself as necessary.

On that appraisal, it is necessary to sustain economic growth and much in the White Paper is about the means by which we will do that. We will do it by providing the means for firms to build, to take advantage of the expanding markets in Australia and in the region.

It is also necessary to make an effort of unprecedented intensity to lift the long-term unemployed out of the mire in which they are trapped. That is the heart of it.

The economy in which skills are our greatest resource. Now I won't go into the details again of how we are going to do that. But let me say that when you examine the document, it should be apparent that it is a document for these times - it brings our labour market, education and training, and social security programs up to the 1990s and they will serve us well into the 21st century.

That's why comparisons with the 1945 White Paper on Employment are largely inappropriate. They are different documents, informed by different ideas to meet the imperatives of different times. They have two things in common: the 1945 document was required to find the way to demobilise a million servicemen and women and the 1994 document has set itself the task of finding ways to remobilise a million unemployed. That is the first thing they have in common. The second thing is they were both done by Labor governments.

Growth is the context. Employment, training, support, help, is the heart of it.

I don't think we can stress enough how great the changes have been. How important it is that we succeed in getting into that front rank. It has been, I suppose, something of a highwire act. The rewards will be huge - not just because it will maintain our standard of living but improves them for generations. There are also basic quality of life considerations involved in this.

Yesterday I quoted Chifley's definition of the social safety net - the net under the trapeze artist to catch him when he falls so that he can climb the ladder of opportunity again. What we are doing with this statement on employment, is providing, on behalf of the nation, the net and the ladder for the long-term unemployed - and for the youth of Australia.

If it is true that in a civilised society we all depend upon each other, we have to provide that net and, principally through training and education, the ladder of opportunity.