



PRIME MINISTER

**ADDRESS BY THE PRIME MINISTER, THE HON P J KEATING MP,
LAUNCH OF NETTFORCE - SYDNEY, THURSDAY, 1 SEPTEMBER
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I am very glad to be here.

And glad to see so many Australian companies represented here.

The CEOs outnumber the trainees – and, in a way, that is appropriate, because the driving force in vocational training is going to be private industry.

Government can provide initiative, funds, strategies and structures.

The community at large has a responsibility – as I have said many times, as the Government Employment White Paper says – every Australian has a responsibility, every Australian has an interest in the outcome of the national effort.

But for all that government and communities and unions must do, the engine of success will be the private sector of the economy.

For once at least, the acronym is appropriate – NETTFORCE.

When we created it in *Working Nation*, we had force in mind.

Not **brute** force.

We had in a mind a body with enough skill and finesse and worldliness about it to get results.

I think that is what we have.

The National Employment and Training Taskforce is designed for effect.

For practice rather than theory.

In the White Paper we decided – in advance of all but a very few comparable countries – that we could not leave the long-term unemployed behind.

We couldn't leave them behind and still keep faith with our human and social values – our national values.

And we couldn't leave them behind and still claim that we observed principles of rudimentary common sense.

If for no other reason than the waste of human energy, ambition and potential, it makes no economic or social sense to leave the long term unemployed behind.

In the White Paper we also recognised – somewhat in advance of many comparable countries, somewhat behind others – that vocational training is not an option for a nation in the nineties, but an imperative.

Not a might do, or a should do – but a must do.

We have set out to build a vocational training system to rank with the best in the world.

Quite simply, we don't have a future, and the next generation will not have a future without a first class system of vocational education – not, at least, the sort of future we want, the sort of future we have it in our power to earn.

The people who make up NETTFORCE – Bert Evans, Bill Kelty, Lindsay Fox, Ivan Deveson, Ted Wright, Joan Kimer – are nothing if not practical people with practical experience.

They are not people one associates with bureaucratic bottlenecks, or ideological strait-jackets.

They have that in common – and I know they also share a passion for their country and faith in its future.

Bill Kelty and Lindsay Fox, of course, have recently re-affirmed that in their extensive study of Australia's regions – a landmark study whose influence can be seen in the Regional Development policy in the White Paper.

Ted Wright, of course is the Director and General Manager of the Regent Hotel – which in part explains why this launch is occurring in what otherwise might be considered a somewhat incongruous place.

But the venue might be considered appropriate for another – symbolic – reason.

The Regent is an element – a very successful element – in the vast mosaic of Australia's most successful growth industry.

Tourism and hospitality.

Tourism now employs nearly half a million Australians.

No industry of the last decade has grown on such a scale. None has more potential for further growth.

And none provides more dramatic evidence of the fact that in a highly competitive environment success depends on the quality of our human resources – on trained, skilled people.

It is one of my duties today to announce the formation of a number of new industry training companies under the umbrella of NETTFORCE – and Tourism Training Australia will be among the first of these.

To some extent tourism is a model of the direction Australian industry is going – towards the exploitation of our natural advantages, towards international markets, towards ever greater levels of service and efficiency, and, I am pleased to say, towards vocational training.

Today I think it is worth reminding people of the size of the task we have set ourselves.

No one should underestimate the dimensions of the White Paper – it is the principal vehicle by which the Government intends to reform and invigorate the Australian labour market.

It is the principal means by which we intend to make this an economic recovery which reaches all Australians.

I doubt if any other country has yet produced a program as comprehensive and ambitious as *Working Nation*.

While a number of other countries have introduced, or are considering introducing, reforms to their labour market and training programs similar to those in the White Paper, none has integrated them into a major reform strategy.

In the plainest terms, the White Paper announced that the Government would provide funding to create 50,000 new entry level training positions by 1995–96, and find jobs under the Job Compact for over 160,000 long term unemployed people a year.

When they do, it would be as well to understand that training is not a welfare issue.

It is not a particularly selfless or charitable enterprise – though if employers come to it with these motives no one will complain.

Nor will anyone complain if they engage with this national effort out of a sense of national duty or concern for the future of our children.

Success will serve those interests admirably.

But the essential truth about it is that vocational training is a mainstream economic issue.

And it is in the interests of all us – government, business, unions, communities – to engage with it.

We do know that employers' reservations about hiring the long term unemployed can be overcome.

Last year, of the 150,000 people who gained jobs under the JobStart program, around 70 per cent were long term unemployed.

Through the JobStart program the Government is picking up a substantial proportion of an employer's wage bill while new employees prove themselves.

Of NETTFORCE's various roles, the most important relates to the training wage.

The training wage aims at giving the unemployed opportunities to break the cycle of their unemployment.

The wage has been set at between \$125 and \$333, depending on the worker's experience and the skill level of the job.

And we will reduce the cost to the employer further through subsidies.

For employers the training wage offers labour paid at a rate which genuinely reflects productivity levels.

For employees, it means avoiding being trapped in low-paid jobs forever.

I cannot let pass this opportunity to urge employers to get behind the scheme.

No less, I call on the unions to recognise that our intention is not the creation of a pool of cheap labour, but a pool of opportunities – a vast and lasting pool – for their fellow Australians.

Unions and employers alike must recognise that what we are doing must be done in a modern economy.

If we don't do it, we will fail not just ourselves but the next generation.

I know Lindsay Fox and Bill Kelty have been passing on this message to their respective constituencies.

I hope everyone else here today will follow suit.

NETTFORCE has been created to ensure that the training system is responsive to industry demands and that industry is mobilised in support of this training initiative.

NETTFORCE is promoting the speedy recognition of training and will give interim authorisation of training packages to underpin the new award where there are delays.

For the vocational training to succeed, there needs to be industry involvement at all levels.

NETTFORCE's new training companies can help make this happen.

For those who have not heard the term before, a training company is an "industry company", meaning it is drawn primarily from employers and employer groups and unions in various industries.

Each of these training companies will meet the specific needs of their industry.

They will develop new traineeships and adapt existing traineeships to meet the NETTFORCE requirements for implementation under the National Training Wage.

They will provide employers with one-stop shops to put together training and industrial packages.

Among others, these companies will be established in the automotive industry, in building and construction, manufacturing and engineering, the timber industry, retail, warehousing, electrical and electronic, media, arts and entertainment – and of course tourism and hospitality.

Obviously, there are a great many people here who deserve our congratulations for the progress that has been made so far.

From the Government's viewpoint, it is very gratifying. The indications are that the confidence in Australian employers and unions on which these programs have been built will be vindicated.

But none of us should be in any doubt that the story has just begun.

As I said at the beginning, so much depends on employers.

In a sense, the programs now in place provide a measure of compensation for this.

But in any event, it is in employers' own interests to take steps now to avoid skill shortages which will increase their costs and hold back their growth.

Equally, as a nation, if we are to improve our standard of living and maintain our economic growth without inflation, we need to continually improve productivity – and pivotal to that is an investment in skills.

All of us here today have taken up that challenge – the members of NETTFORCE, the employers, the union representatives and not least the young trainees.

For that I want to thank you all.

You have engaged with a great national undertaking and future generations of Australians will have reason to thank you for it.

So it is with great pleasure and pride that I now officially launch NETTFORCE.

ENDS