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PRIME MINISTER

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**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD
ACOSS ADDRESS - WESLEY CENTRE - SYDNEY**

E&OE.....

Well thank you very much Bishop Challen. To Robert Fitzgerald of ACOSS, ladies and gentlemen. Can I thank both the Brotherhood of St Laurence and ACOSS for the invitation to address this very important forum on the future of work.

I've had associations both very briefly in Government, and previously out of Government, with the Brotherhood and of course with ACOSS, and I compliment both organisations on their initiative in organising this forum and most particularly in the compilation of the report. And it is timely that I have the chance this morning of participating in the forum, because I do so in the immediate wake of the introduction of the Government's workplace relations legislation into Federal Parliament yesterday which involves one of the most, if not the most, significant changes to the way in which the workplace laws of this country operate ever introduced into the Federal Parliament.

I want, not surprisingly, to say a few things about that legislation and about the philosophy enshrined in the legislation later in my remarks. But can I firstly take the opportunity, because this does represent in part a forum sponsored by ACOSS, and because it brings together a group of people properly concerned about the welfare of some of the less fortunate people in our community. Can I take the opportunity of revisiting a speech that I made to ACOSS in October of last year when I was Leader of the Opposition. And in that speech I made certain commitments on behalf of the then Coalition parties about the attitude that we would take towards benefits for the unfortunate and the more vulnerable in our community and I made on that occasion a number of explicit commitments and in the wake of the change of Government and the inevitable debate about the fiscal consolidation task that faces the new Government.

There has been some comment and some conjecture about whether the commitments I made during that speech, in particular in Opposition, remain constant now that we are in Government, and I want to take the opportunity this morning of reaffirming what I said, then on behalf of the Opposition - I now say it on behalf of the Government - the particulars of that speech that I delivered in October of 1995.

I don't pretend that the task of balancing the aim of achieving a balanced budget over a period of two years and maintaining commitments made in Opposition, and I don't pretend that that is an easy challenge. But I have always regarded maintaining trust with the people of this country as being a very important element of good government, no matter who is in government.

I know that the Australian people are very pragmatic, they have a great deal of common sense, they understand that changed circumstances can sometimes make the delivery of some commitments difficult no matter how genuinely made, but equally, they are awake up to the unjustified repudiation of commitments and they are also highly suspicious of governments of either political persuasion who place the interests of the more vulnerable in our community on a lower scale of priorities than the achievement of individual statistical targets, and I therefore wanted to take the opportunity this morning of saying quite explicitly to you that the commitments that were made in relation to the more needy in our community in that speech I delivered to ACOSS in 1995 remain important commitments now in Government of the Coalition.

Ladies and Gentlemen, it is not possible to talk about the future of work in Australia without of course talking about the future and the strengths and weaknesses of the Australian economy and I hope without any trace of misunderstanding and without in anyway sounding that I don't intend to do so and in any way patronising, I have welcomed over the past few years in particular, the way in which ACOSS and other organisations such as the Brotherhood of St Laurence have increasingly recognised the link between - the unbreakable link - between economic growth, economic prosperity and the establishment of effective safety nets in our community and the establishment of fair rules of conduct for the treatment of all sections of society.

It is not possible, without a certain level of ongoing growth and prosperity, it is of course not possible to have in a pragmatic sense a fully compassionate society. The two do go hand-in-hand and it is important that when we look to social and humanitarian solutions we do so not in a vacuum but we do so against the backdrop of understanding the strengths or the weaknesses of the Australian economy. And there has been something of a convergence in the economic and social debate in Australia around a number of goals. There is less partisan divide in Australia now concerning the goals to be achieved although there still is a fair amount of furious debate about the way in which those goals are to be achieved.

The goal of jobs for all those who want them is still the proper ideal of any government whatever their political complexion and it certainly remains a goal of the Government that I am very proud to lead. And the goal of providing a framework for work and a framework for work opportunities within a rapidly changing society, not only changing in a technological sense, but changing in social habit and disposition, is a goal to which my Government very very strongly aspires.

The purpose of our industrial relations legislation, our new Workplace Relations Bill, is not to play out some strong and obsessive ideological commitment. More importantly, the goal of that legislation is to provide a more modern and contemporary framework for the conduct of workplace relations.

The legislation quite unashamedly gives expression to a number of views that I and many of my colleagues have advocated over the last ten years. It places a much greater emphasis on the direct relationship between the employer and the employee. It does not do so in a vacuum. It does not send the employee naked into the negotiating room. It does not deny to the employee the right to be represented by somebody else if that is his or her choice, and I think it is important that that be emphasised. It is true that the legislation reduces the statutory bargaining monopoly now enjoyed by the trade unions but it is not true that the legislation in any sense shape or form denies people the right of union or indeed other representation if that is their choice.

The second very important thing that it does is that it emphasises the important Australian principle of freedom of association. It guarantees the right of people to join or not to join organisations and having decided to join an organisation, it guarantees that people will have a wider range of choices available to them in relation to trade union membership. It restores, in a more effective form, the secondary boycott provisions which were introduced by a former Coalition Government to protect particularly small businesses against irresponsible conduct and finally and very importantly, it addresses the existing unfair dismissal which even many of my political opponents have acknowledged that represent barriers to recruitment of people particularly by small firms.

Now, they are some of the major features of the legislation, but some of the other features which are important to the evolving Australian workplace include much greater flexibility for the use of part-time work which is a very important recognition of the changed nature of the Australian workforce especially over the last 10 or 15 years. We also propose to introduce, and this is very important to the ongoing problem of youth unemployment, far more flexibility in the training packages that will be available for young people. We do not propose to introduce a three dollar or \$3.50 an hour youth wage. We do however propose to remove the existing rigid ceiling of 80% of paid work within a training package which is now mandated. The effect of that change will be that people will continue to be paid at the relevant award rate for the number of hours in a week that the young person works, but the combination of training and work experience within the training package will no longer be subject to that rigid ceiling of 80%.

There are important safeguards and protections. One of those is that no young person can be forced to accept a training package including work and training which would result in that person earning over a five day period less than the unemployment benefit. One of the great advantages of this new approach is that it will open up a far more flexible range of opportunities of training opportunities and therefore in time, job opportunities for young people. I know that this proposal will be the subject of some quite deliberate misrepresentation, but we are nonetheless determined to press ahead with it because we did say during the election campaign that we regarded an assault on

youth unemployment as one of our most important responsibilities and we don't intend to walk away from it. And what we are enshrining in this approach is a very very strong commitment to the principle that people should be paid proper rates according to the relevant award for the hours that are worked within a training package that there should be the maximum opportunity for people within those training packages to combine them with whatever components of work and whatever components of training that they would think fit.

Ladies and gentlemen, I don't think I need to tell this gathering that one of the greatest changes that has occurred in the workforce in Australia over the last twenty years of course has been the very significant increase in the female participation rate in the workforce. And one of the greatest responsibilities of any government is to provide the maximum degree of choice for families in particular, but not only for families, but certainly that's a very important consideration, the maximum possible range of choices so that people can most effectively combine their work and their family responsibilities.

In the recent election campaign I said that one of the important goals of the Coalition was to provide people who have the responsibility of raising children with a wider range of choices and that extended not only to the choices to whether in the early years of childhood one or other of the parents was at home full-time caring for children, and I've long held the belief and my belief has not altered in Government, that the denial of that choice to increasing numbers of people because of economic pressure is a matter of profound regret and that any society ought to aspire to extend that choice, not only to people who currently can afford to exercise it, but to many people who would currently would like to exercise that choice, but through immediate economic pressure are unable to do so.

Now, that is very largely, but not entirely, a function of the taxation system, and one of the goals of the taxation policy we presented before the last election was to make, albeit a modest start, and I can only claim it to be modest start towards providing a little more scope for people on low and medium incomes to exercise that choice. But moving inevitably through the life cycle as people do, increasingly parents want the options of moving to part-time and then in many cases back to full-time work for both mother and father, and therefore it follows that increasingly people want the maximum amount of scope to balance their work and their family responsibilities. And that means that we have to entrench in an utterly acceptable and totally comprehensive way the notion of permanent part-time work within our community, and one of the design features of the legislation that Peter Reith introduced yesterday was to do exactly that: to give greater currency and greater status to part-time work; to ensure that there was the maximum amount of flexibility available for employers and employees to enter into part-time work arrangements.

That is not designed, as some have incorrectly alleged, to produce a casualisation of the workforce. It is merely designed to recognise society's changing goals and aspirations and the changing character of society; the recognition that whereas the idea of lifetime employment with one particular employer was not uncommon - to those now leaving school and universities, that is something that perhaps very few of them would contemplate -; to recognise the growing desire of younger parents in current generations to find creative ways of blending their work and their family

responsibilities, and of course the need to do that is not limited to the operation of workplace legislation, but of course it extends into every aspect of daily life as so many of the institutions and practices that we still have in our community are a product of a time when there was a very fixed pattern of work, not only between men and women, but also between particular occupations. And so many of those patterns have disappeared, so many of those divisions have been dissolved and the new flexibilities of which I spoke, have become necessary.

I don't pretend to this audience, Mr Chairman, that significant reductions in the currently still quite unacceptable levels of unemployment are going to immediately follow the passage of the Workplace Relations Bill. In the long term I believe the changes that we have brought forward, which incidentally meet in full the commitment I made before the election, that any person entering an Australian workplace agreement would receive in take home pay terms at least the amount that that person would have been entitled to if he or she had remained under the relevant award and it is important that I emphasise that point because in the weeks ahead that proposition will be subjected to a great deal of scrutiny and quite properly a great deal of testing.

I don't pretend that overnight it is going to bring wonders and miracles, but I think over a period of time it will create a far more flexible workplace. It will importantly recognise the principle that to the maximum extent that it is possible to encourage direct negotiation, direct bargaining, and direct understandings between employers and employees, then over a longer period of time I believe you will have better workplaces and better understandings.

The nature of a society's work opportunities are a very important sign post to the society itself. Bishop Challen spoke in his introduction of the divisions that are growing within our community. I think he is right in one sense. Economic division in Australia now is sharper and more depressing than what it probably was thirty years ago. In some other respects, Australia is a less divided society now than it was thirty or forty years ago. I have set myself the goal as Prime Minister of this country to try as best I can and while keeping faith with the particular principles and values which I hold important and my colleagues hold important, I have set myself the goal of emphasising things that bind Australians together rather than those things that push Australians apart. I think perhaps, we have spent a little too much time in recent years in emphasising difference and emphasising our tribal characteristics rather than focussing on those bonds that bind us together in common as Australians. Of all those things to those people in the community who don't have jobs are really empty words and empty rhetoric and the thing that binds people together in affirming that they are a part of a common culture and they are part of a nation and they are sharing in the bounty of that nation of course is the opportunity to work, and people denied that opportunity not surprisingly, are entitled to feel that they are alienated from and rejected by the society comprised of the ninety or ninety-two percent of their fellow citizens who have work.

So whatever our political views and whatever perspectives we bring to either the workplace relations legislation or to the other policies or programmes of mine or indeed any other government, whatever they may be I think one thing does bind us all together and that is the very strong conviction that giving to all of those Australians

who want to work the opportunity of doing so, of providing an economic framework that generates the jobs, and ensuring that we have a legislative framework that maximises the choices that are available to people, I think that remains a very very important goal for all of us.

Can I finally, Mr Chairman, again thank the Brotherhood and ACOSS for organising this forum. I thank you warmly for the opportunity to address it this morning, particularly coming as it is in the wake of the introduction of our Workplace Relations Bill, can I renew the commitment that I gave to ACOSS and indeed to the Brotherhood before the election and subsequently that whatever differences perhaps we may have over the time ahead about our response to particular programmes, I regard the two organisations as playing a crucial role in the ongoing debate about social welfare and other matters. I will always keep an open door to them and my Government and the members of it will always be ready to engage in dialogue with the two organisations and to air the views that they have on some of the very important issues that I have discussed this morning.

Thank you very much.