



Speech by

Mr D. BRISKEY

MEMBER FOR CLEVELAND

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UNEMPLOYMENT

Mr BRISKEY (Cleveland—ALP) (11.56 a.m.): I rise today to speak on the most serious economic and social issue facing the nation and the State: unemployment. Creating long-term and sustainable jobs is the Beattie Labor Government's highest priority. This Government was elected on a commitment to job security and job creation. Just over one month ago, the Government brought down a Budget that has at its heart significant funding for labour market programs and job-creating capital works projects.

Reducing unemployment has proved a very difficult task. The Australian economy has experienced seven consecutive years of growth, but this growth has failed to reduce the unemployment rate below 8%. Employment growth has been insufficient and has failed to make an impact on the level of structural unemployment. A rate of 8% unemployment has become the accepted and what commentators like to call the "natural" rate of unemployment. It is argued that a further reduction in unemployment levels beyond this natural rate will engender inflationary pressures.

Since the Howard Government came to office and gutted the Keating Government's Working Nation initiatives, there has been no real concerted effort by Governments to tackle unemployment. In fact, during the recent election campaign, the Federal Treasurer admitted that employment growth had plateaued. Just last week the new Federal Employment Minister, Mr Abbott, admitted what the Federal Treasurer and the Prime Minister refused to admit during the election campaign, that is, that the GST will not fix unemployment. Therefore, they have no plan whatsoever.

The coalition Government's approach to the challenge of reducing persistently high unemployment levels has not been to set targets or goals for creating jobs, but rather to redefine unemployment as a private problem. In the absence of positive labour market programs, the Federal Government has opted to place responsibility for unemployment on the individual, stigmatising the unemployed as dole bludgers and instigating work for the dole schemes that do not include training and that totally neglect the fact that the jobs are just not there. Yesterday's announcement of the decision to scrap 5,000 jobs from Centrelink only compounds the problem further by creating more unemployed and stripping those already unemployed of support or assistance in finding work. In the full knowledge that long-term unemployment robs people of their work skills, their confidence and their motivation, while also putting them at risk of poverty and ill health, coalition politicians have done nothing and continue to do nothing to solve the problem. They have accepted an above 8% unemployment rate as natural.

As a community, are we prepared to accept the consequences of the conservatives' approach? Do we accept that we will forever be plagued with an 8% to 9% unemployment rate? Are we prepared to accept the social consequences of locking large numbers of people, often young people, out of paid work, or do we believe that Governments have an obligation to provide an adequate range of opportunities for individuals to participate in working life?

High unemployment is not a private problem, it is a public policy problem, and it demands that Governments put in place the right policies to tackle the problem. If we believe we must and should reduce the rate, there is only one answer: set the target and get to work implementing both macro and micro-level policies aimed at creating jobs. Targets send signals that we are

serious about creating jobs and reducing unemployment. It makes policy makers and legislators put all of their resources and brain power into finding ways to reduce unemployment below 8% while not fuelling inflationary pressures.

Although it is recognised that the Commonwealth Government holds the primary responsibility for addressing employment related issues, State Governments can play an important role, and the Beattie Labor Government has committed itself to reducing unemployment in Queensland. This Government is implementing programs that offer the long-term unemployed new skills, work experience and support. For example, the Government's \$282m Breaking the Unemployment Cycle initiative is a targeted labour market program which represents the Beattie Government's commitment to doing more than just hoping that economic growth will lead to a reduction in the unemployment level.

This Labor initiative also acknowledges that structural economic change has led to a collapse in the under 21-year-old labour market. Many entry level full-time jobs have been lost and, consequently, young people are having increasing difficulties finding jobs. Through this program, the most disadvantaged in the labour market, the young unemployed, will be given hands-on experience and a chance to enter the work force—perhaps for the first time, in many cases. Breaking the Unemployment Cycle aims to create 24,500 jobs over the next four years.

In addition to the Breaking the Unemployment Cycle initiative, a \$5.4m Industry Training Fund for the building and construction industry is to be established to employ an estimated 800 to 1,000 additional apprentices a year, which will help to ease skill shortages in the industry. These labour market initiatives are supported by the Government's record public works and infrastructure projects, which are intended directly to raise employment and to increase growth through the positive external effects of public investment on private sector output.

The Capital Works Program in Labor's 1998-99 Budget will provide more than 65,000 jobs, including 17,800 new jobs and ongoing employment for another 47,800 workers. The Capital Works Program provides communities with essential infrastructure while also enabling the creation of jobs and the provision of on-the-job training in the highly important building and construction industry. The Government understands that unemployment creates hardships not only for unemployed people but also for their families, friends and the wider community.

The reintroduction of the Community Renewal Program, which provides \$15m for a full year to revitalise communities hard hit by high unemployment, is further evidence of this Government's commitment to create jobs and support communities. Communities to be supported include Waterford, Eagleby, Beenleigh, Leichhardt, Garbutt, Manoora and Inala.

The Beattie Labor Government believes that Governments have an obligation to create the jobs that are so desperately needed to reduce unemployment. This is a stark contrast to the previous Borbidge Government, which had no employment plan. It did not even have an employment department and it refused to set targets or goals for creating jobs. Let us not forget that the Budget that members opposite planned to pass—the May Budget— did not include a \$283m Breaking the Unemployment Cycle initiative, to name just one of this Government's employment initiatives.

The figures speak for themselves. Job creation, as recorded by the trend employment growth figure, slowed to a snail's pace under the Borbidge Government. In 1995, the last year of the Goss Government, 87,800 jobs were created compared with only 18,100 jobs created in the first year of the Borbidge Government. As I said, the figures speak for themselves. Only Labor State Governments create jobs at the rates needed to reduce unemployment.

Governments must be active, and innovative solutions must be found, because the social and economic costs of accepting an above 8% unemployment rate as natural are too high to just leave the employment options—or lack of employment options—for over 147,500 unemployed Queenslanders to market forces. As I said in my opening remarks, unemployment is the most serious issue facing this State and nation, and the Beattie Government, unlike its predecessor, is serious about tackling it.
