

## ABS Employment Figures

Written by Eric Abetz

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### Doorstop Interview with Matt Williams MP, Adelaide

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Subjects: John Faulkner, Labour Force

**MINISTER ABETZ:** Matt Williams is a dynamic Member for Hindmarsh. I'm delighted to be in Hindmarsh with Matt Williams, undertaking a number of electorate visits, from small businesses to an Indigenous school. So I've got a great cross-section of the wonderful work that Matt does in Hindmarsh this morning.

Before making comments on the unemployment figure, can I pay tribute to Senator John Faulkner, the Father of the Senate, who has announced his retirement from the Senate after 25 years, and before that he was a Labor Party operative for 10 years. So he's devoted 35 years of his life to the service of the Australian Labor Party, both in the organisational and Parliamentary spheres. On behalf of the Coalition, we wish him well in his well-deserved retirement after such a lengthy period of service.

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Today we were confronted with another set of unemployment figures indicating that the unemployment rate is 6.3 per cent. It's very easy to look at statistics in percentage terms, but in reality that means there are 777,000 Australians in need of a job. And when we translate that to the youth, we have an unemployment youth rate of 14.5 per cent. Clearly, we need to reboot the Australian economy. That is why the Government has been so focussed on getting rid of the job-destroying carbon tax, mining tax, getting rid of red and green tape. My colleague, Greg Hunt, the Minister for Environment, has done a fantastic job in being able to ensure environmental safeguards, yet allowing one trillion dollars' worth of projects to be given the green light.

My other colleague, Andrew Robb, what a fantastic job he's done on the free trade agreement front, which allows Australia to play to its strengths in the ever growing markets of South East Asia in China, South Korea and Japan. Real benefit to Australia there, and, of course, we need to get the budget back into shape. So the task is there, we are up to the task, we are seeking to undertake that task but I do remind the Australian people that for the first quarter of our term, the first nine months, every one of our initiatives was blocked in the Senate, courtesy of Mr Shorten and his coalition partners, the Australian Greens.

That has set the economic agenda back, but we are nevertheless now pursuing that agenda to get the economic parameters right so that we can grow employment.

So in the past six months we have got rid of the carbon tax, we've got rid of the mining tax, we've been able to get free trade agreements negotiated, so we are moving in the right direction but, clearly, a lot more needs to be done and we are focussed on that. We are not only looking at the statistic but we are looking at the fact that there are individual Australians who are hurting with unemployment and that is why we need to get the economic parameters

right.

**JOURNALIST:** A year on from polling, some people still blame the current Government for its demise in Australia with the manufacturing industry. How can you say that you are looking after the future of those Australians?

**MINISTER ABETZ:** The simple fact is that the automotive sector, despite the amount of money that it was provided, regrettably, could not survive in Australia. And whilst we were in Opposition took a very mature approach — and realistic, honourable and honest approach — to the demise of Mitsubishi and Ford. That occurred under the previous Labor Government and the flow-on effect has been, now regrettably, to Holden and Toyota as well. The problem is that Labor have not been able to show the same honesty and honour as we did in Opposition when they presided over the demise of two automotive manufacturers. We would invite Mr Shorten and the Labor Party to adopt a similar approach.

Both Holden and Toyota said no matter how much money we are given we will no longer be manufacturing in Australia. And so in those circumstances we have to try to do everything we can to ensure that the adjustment that needs to take place in the economy takes place as smoothly as possible and indeed when I was at a disability services provider this morning with Matt Williams, the manager of the show used to be in the management of Mitsubishi and he had successfully made the transition and will be working with and through service providers and other government facilities to ensure a smoother transition as possible.

**JOURNALIST:** *inaudible* ... going to end without though from Holden ... going to end up without a job if they don't reskill soon. There's not much opportunity for them elsewhere. What is the Government going to do? Because, a number experts say that the amount money that the Federal Government is chucking in is nowhere near enough to reskill these employees and make them re-hireable for new industries.

**MINISTER ABETZ:** Well some of them are already finding jobs and the fellow that I was talking about earlier, he clearly found a job with the demise of Mitsubishi. We don't underestimate the task, we are into funding skills, assisting people to retrain. But at the end of the day don't underestimate the task, but it is a position, if you like, that we've confronted as part of, if we wanted to be political we could say the legacy of Labor that we inherited, or the transition that has been taken place in our economy both under Labor and now under us. And we will be working to ensure the most smooth transition possible for those workers that over time will be leaving their employment.

**JOURNALIST:** Given that the unemployment rate is still rising, will that limit budget cuts Joe Hockey can announce in the mid-year economic update and therefore push a budget surplus out even further?

**MINISTER ABETZ:** Well there's good and bad spending, most people realise that. If you're borrowing for the household groceries you know that's unsustainable. If you're borrowing for a house you know you'll get a capital asset at the end of the day.

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That is why the Government is focussed on reducing recurrent expenditure, but we do have the biggest infrastructure budget in Australian history of \$50 billion. We believe that with other measures, like the asset recycling, we could leverage that to over \$100 billion of infrastructure that will create jobs.

In the state of Victoria, one federal project — the East–West link — over 6000 jobs, which now the Labor Government wants to junk. We would say to all State Governments, partner with us in these infrastructure projects to employ Australians to get us through that transition and indeed the road works that have been announced in South Australia that Matt Williams has been so instrumental in, will also assist the employment situation right here in the state of South Australia.

**JOURNALIST:** But just to that question does this make it tougher for Joe Hockey for the mid-year budget update, this unemployment news today?

**MINISTER ABETZ:** Clearly the less people that are employed means less income tax coming into the Government and usually unemployment is indicative of less economic activity as a result one can suspect less income coming in from company tax.

As a result of which, we have to be focussed number one, number two, number three on the economy. And I simply say to the Labor Party and everybody else — we can no longer borrow \$1000 million a month just to pay the interest bill on existing borrowings.

That is unsustainable, it's unfair to the next generation and we as a Government will not be party to that. That is why we are putting the budget back into shape whilst also growing job opportunities through free trade agreements, getting rid of carbon and mining taxes and rolling out the biggest infrastructure budget this country has ever seen.

**JOURNALIST:** And if there's fewer workers and less money coming into the Government, how significant will that be in pushing out the budget surplus, being able to get back to surplus?

**MINISTER ABETZ:** The budget being put back into surplus clearly has to be an imperative but we have to do it in a sensible, moderate way, and when Bill Shorten claims that he can bring the budget back into surplus quicker than we can, I think all Australians know that is another false promise from the Labor Party. When the Labor Party votes again savings in the Senate, that they themselves took to the election and promised the Australian people that they would support because they were economically responsible, they then lose Government and they vote against those very savings.

So, we do have some issues in Australia but we are managing them very methodical and purposeful in our approach and I believe that the infrastructure projects, in particular, if they are allowed to be rolled out as we'd planned then we will see a surge in employment opportunities and investment in Australia's future that the next generation will be able to look back on it and say, "now there was money well spent". As opposed to the cash splashes, the pink bats and the school hall debacles, that we witnessed under the previous Government.

**JOURNALIST:** Tony Abbott has promised a million jobs in five years, but at the current rate you'll fall well short of that by about 300,000 jobs. Is that looking like another broken election promise?

**MINISTER ABETZ:** I don't accept the premise of another broken election promise, and can I just stress this, we as a Party went to the election, for example, saying, we would abolish the School Kid's Bonus. We were denied the opportunity to implement that promise courtesy of the Senate.

We went to the election, with Labor, promising \$5 billion worth of cuts which Labor have now blocked in the Senate.

Labor said to the Australian people that their last budget was \$18 billion in deficit. When we got the final numbers it was \$48 billion in deficit.

What does a responsible government do with that \$30 billion short-fall? Pretend businesses

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usually will say, the circumstances have substantially changed which requires honesty with the Australian people and the need to take some comfort decisions, so that's what we're embarking upon.

In relation to the employment figure, what it shows is that the task is difficult but we're up to it and we have every intention of honouring that policy but keep in mind we were denied the first quarter of our term in implementing our policies by a Labor/Green majority in the Senate that blocked all our economic reforms. They are now slowly rolling out courtesy of new make-up in the Senate. But it will take time, but we are determined in all our economic strategy to grow employment because at the end of the day we know that every Australian that is in employment gets the benefits, not only economically but also socially, that their physical health, their mental health, their self-esteem and social interaction, all those features that are vitally important for good, social interaction and community living are enhanced if you've got employment.

So we as a Government are focussed on the economic benefits of employment but also the social benefits. And that's what we're seeking to drive with our reforms and we encourage the Labor Party, in particular, to join with us in assisting us Australians into employment.

Thank you