
Contents

Chapter 1	Introduction	1
Chapter 2	A better environment for economic growth	17
	Introduction	17
	A stable macroeconomic environment: the growth strategy	18
	Microeconomic reform	20
	The reform agenda	23
	Industrial relations	25
	Enterprise agreements	27
	Safety net	31
	Reform of awards and union structures	33
	Quickening the pace	34
	Business costs and regulation reform	35
	Competition and efficiency: a new approach to reform	38
	Private sector infrastructure investment	41
	Tariff policy	43
	Trade policy	46
	Multilateral trade issues	46
	Regional trade issues	48
	Trade support	49
	Conclusion	50
Chapter 3	Industry development policies	51
	Overview	51
	Policy objectives	51
	Going global: industry policy for the 21st Century	56
	Building competitive firms	61
	Innovation, science and technology	61
	Innovation	61
	Technology uptake	65
	Science and engineering	66
	Information and networking	68
	Leadership and management skills	71
	Access to finance	73
	Government purchasing	76
	Encouraging exports - export promotion	78

Promotion of international investment and business linkages	82
Industry based strategies	84
Integration and flexibility of government programs - AusIndustry.....	85
Conclusion	87
Chapter 4 A skilled workforce	89
Introduction	89
Young people, employment and training	89
Closer integration of general and vocational education	91
Expanding entry level training places	93
Apprentices and trainees	94
Prevocational courses	95
Labour market programs.....	95
Youth Training Initiative	95
Reforming the training system	98
Training reform.....	98
Industry support for training.....	99
Industry involvement in decision making	101
Training Guarantee	103
Small and medium sized enterprises.....	103
Workplace literacy program	104
Conclusion	105
Chapter 5 Reform of labour market assistance	107
Introduction	107
A significant increase in resources.....	109
How people will be assisted: an overview	110
Early preventative assistance for those at 'high risk'	110
Assistance with job search for the 'job ready'	111
Help for those who become long term unemployed.....	113
Voluntary work	114
The Job Compact	115
How will the jobs be obtained?.....	117
Restructuring wage subsidies.....	119
A training wage.....	120
New Work Opportunities	122
Part time employment in the Job Compact.....	125
Greater obligation on job seekers	125

A new approach to delivering labour market assistance.....	126
A client focus.....	127
Use of community and private sector case managers.....	129
A revitalised Commonwealth Employment Service.....	131
Improving responsiveness to regional development and local employers.....	133
Improved links with regional development.....	133
Employer support measures.....	134
Extra assistance for special groups.....	135
Aboriginal and Torres Strait Islander peoples.....	136
People from non-English speaking backgrounds.....	138
Women.....	138
People with a disability.....	139
Implementation.....	140
Monitoring and evaluation.....	140
Conclusion.....	141
Chapter 6 Income support incentives.....	143
Introduction.....	143
Incentives for couples to get a full time job.....	145
Improving incentives for couples to get a job.....	147
New payment eligibility for couples.....	147
Changed income test for couples.....	149
Impact on incentives to work.....	150
Incentives to take up part time employment.....	152
Changed income test arrangements.....	153
Likely impact of the changes.....	155
Other measures to help unemployed people.....	156
Obligations on unemployed people receiving Job Search Allowance or Newstart Allowance.....	158
Conclusion.....	158
Chapter 7 Regional development strategy.....	159
The need for a regional development strategy.....	159
The regional studies.....	160
The Commonwealth's existing regional involvement.....	163
The regional development strategy.....	164
The Regional Best Practice Program.....	164
Infrastructure.....	165
National transport infrastructure.....	166

Local infrastructure.....	168
Financing regional development.....	168
Revisions to Pooled Development Funds.....	169
Infrastructure bonds.....	169
Small business finance.....	170
Business support and exporting.....	170
Regional employment.....	172
Regional industrial relations.....	173
Conclusion.....	174
Attachment: Summary of measures.....	177
Description of outlay measures by package.....	189
Description of revenue measures by package.....	223
Figures	
2.1 Nominal and effective rates of assistance to manufacturing.....	43
2.2 International competitiveness (exchange rate adjusted relative unit labour costs).....	45
4.1 Full time employment for 15 to 19 year olds and Year 12 retention.....	90
5.1 Labour market program (LMP) spending and places.....	109
5.2 How people will be assisted.....	112
5.3 Allocation of LMP spending by unemployment duration, 1993-94 and 1995-96.....	113
6.1 Share of part time jobs in total employment.....	153
Tables	
4.1 Desired number of entry level training places.....	94
5.1 New Jobstart subsidy rates.....	119
5.2 Training wage subsidy rates.....	121
5.3 Revised penalty periods.....	126
6.1 Proportion of full time adult non-managerial employees by earnings.....	146
6.2 Taxable income for couples with one person employed (\$ a week).....	151
6.3 Parenting Allowance payment for families with one labour market participant.....	152
6.4 Taxable income for single unemployed adults (\$ a week).....	155