



Active Labour Market Policy and Macroeconomic Stabilisation

John Quiggin, Australian National University

ABSTRACT

This paper considers the feasibility of a flexible system of active labour market policy which would adjust to the changing phases of the business cycle, and would dispense with the necessity to reinvent systems from scratch in every phase of every cycle. The proposed system would have an expenditure allocation which varied with the levels of short-term and long-term unemployment, and would allocate funds flexibly between a range of programs.

John Quiggin is an ARC Senior Fellow in the School of Economics, Faculty of Economics and Commerce at the Australian National University.

[Download](#) in Adobe Acrobat (pdf) format, 107 Kb.

ISSN 1443-8607

Volume 2, Number 2: November 2001, 51–66

The Drawing Board: An Australian Review of Public Affairs

© [The University of Sydney](#)