Work for the dole in Australia

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With the open support of the Labor opposition, the Australian government is establishing a scheme of civil conscription to force increasing numbers of youth and workers into cheap labor conditions. Prime Minister Howard announced a compulsory "work for benefit" scheme for all young unemployed people on January 30.

One year ago, when the government first announced its pilot "work for the dole" projects, Howard claimed that their aim was to assist youth, and that the programs would be so beneficial that no one would be compelled to take part.

That pretense has now been dropped. The government intends to ensure that unemployed youth and workers have no choice but to accept low-paid, temporary work on whatever terms and conditions employers dictate. A departmental question and answer sheet issued to the media was blunt. It said youth had to become "less selective about job opportunities."

Beginning July 1 those who refuse assignments will have their benefits—already pitifully low at $87.15 per week for those living at home—cut by 18 percent for six months, for a first offense, with subsequent breaches leading to a complete cutoff.

Howard's speech came just days after it was revealed that 40 percent of those participating in the government's 55 pilot schemes were already being conscripted under the threat of losing their benefits. Now another 20,000 youth, plus 5,000 older workers, will be forced to join the programs. A further 120,000 young unemployed who have been out of work for more than six months will be required to find voluntary or part-time work, move home, undertake up to two years of closely monitored job preparation and searching, or go back to school.

Most of those participating in the existing schemes are performing unskilled drudgery, poorly supervised, with little or no training, often under dangerous conditions. Many are replacing fully paid workers. Projects are being used to ax jobs, reduce public spending and boost the profits of local firms.

In one typical scheme, the Mornington Peninsula Shire Council on the outskirts of Melbourne is sponsoring a heritage railway restoration program to attract tourists to Mt. Eliza. Thirty-six youth are working three days every two weeks, in shifts of twelve, weeding, planting, constructing stairways and re-sleeping rail tracks.

A council spokesman readily admitted that the work, overseen by a single supervisor employed by a private contractor, was unskilled and unlikely to lead to further employment. He also acknowledged that the project would otherwise have been tendered out to a firm using paid labor.

Most of the pilot projects are similar. They include preparing an Olympic site in Sydney, scrubbing up old vehicles for a tourism village in central Queensland, building a tourist project in northern Adelaide and beautifying a beach near Perth.

The employers consist of local councils, business-sponsored organizations and charities. No private companies are yet directly involved, but that is likely to change when the scheme is expanded. The legislation certainly does not bar them.

Host organizations currently receive a maximum of $1,500 per person to cover the costs of insurance, supervision, essential training, transportation to work sites, personal equipment and required clothing. Often the amount is less because the government allocates projects to those employers who offer the lowest costs per head.

Under such conditions, participants face serious health and safety dangers. The Commonwealth Ombudsman recently reported that severe injuries, including amputated and crushed fingers, had been inflicted under the previous Labor government's

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version of work for the dole—the New Work Opportunities program. The victims were not covered by workers compensation and did not receive adequate payouts.

Employment Minister David Kemp has dismissed these concerns on the grounds that participants are now covered by Commonwealth insurance. But payments are far less than workers compensation. Moreover, the conscripts are specifically denied the status of employees under occupational health and safety, workers compensation, pension and industrial relations laws. Thus they have no legal protection.

In his speech, Howard directly linked the widening of work for the dole to the drive for faster "economic reform" in the face of the ongoing Asian financial crisis. Economic reform is a euphemism for further slashing of jobs, wages and working conditions so that Australian-based companies can undercut their international rivals.

On July 1, the government will also eliminate unemployment benefits for those under 18 and impose harsh parental means testing on jobless 18 to 21 year-olds. Those living at home will have their payments reduced by $10 per week for every $20 earned in family income above $450. Working class families will be under enormous financial pressure to convince young people to accept any form of employment.

At the same time, the government is cutting off all other options. It is restricting tertiary education to a wealthy minority by raising student fees, reducing Austudy entitlements and slashing university funding. Secondary education is also being gutted.

Apart from driving down wages, work for the dole is a step toward the abolition of the welfare system. In his statement, Howard made central the notion of "mutual obligation," asserting that the unemployed had to perform services to society in return for welfare benefits. This conception is an ideological expression of an underlying business demand for the scrapping of all welfare entitlements that impinge on corporate earnings.

The entire Labor and trade union leadership has backed the government's agenda. In fact, Labor leader Kim Beazley claimed credit for Howard's announcement, commenting that the Liberals were "slouching" back to the Keating government's Working Nation program.

Labor's employment spokesman, former ACTU president Martin Ferguson, pointed out that through Working Nation, Labor had pioneered the concept of mutual obligation by forcing unemployed youth to participate in training projects—in reality cheap labor schemes. Now Howard's scheme pays even less lip service to training, and aims to spend about a quarter of the sum devoted to Working Nation.

Mutual obligation will not end with unemployed youth—they are only the most exposed target. The same demand will soon be raised against single parents, the ill, the disabled and aged.

Already in Britain the Blair Labour government has followed the introduction of work for benefits by cutting payments to supporting parents and declaring its intention to replace "welfare" by "workfare." Similar attacks are under way worldwide, including in France, Italy and the US.

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