

Full-time jobs disappear in Australia

Jobless figures mask shift to part-time and casual work

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From yesterday's media headlines and the claims of the Howard government, one would think that unemployment is now falling in Australia. The official jobless rate for October fell from 8.1 percent to 7.7 percent, the lowest rate since October 1990. According to the *Australian* newspaper, it is a sign that 'Australia is escaping the worst of the global economic and financial turmoil'.

Yet even the bare statistics themselves tell a different story. In the first place, the number of full-time jobs actually fell by 9,400, but this was overshadowed by a 44,600 leap in part-time employment.

Secondly, the workforce participation rate--that is, the number of people in work or looking for work--fell, something that rarely happens when employment is rising. The rate dropped from 63.6 percent to 63.4 percent, suggesting that 18,000 more people gave up looking for work.

Some of the rise in part-time work may even be accounted for by the number of staff taken on by the Electoral Commission for last month's federal election. However, there is no doubt that the decline in full-time jobs and the shift to part-time work is part of an underlying process with far-reaching social consequences.

Australia at Work, a report issued last week by the University of Sydney's Australian Centre for Industrial Relations Research and Training (ACIRRT), presents a staggering picture of the long-term destruction of full-time jobs and the reduction of millions of workers to the precarious status of part-time, casual, temporary or contract labour.

The report shows that the vast majority of the new jobs created since 1984--under both Labor and Liberal governments--have been of this type. The past two decades have seen the transformation of working life, for the worse, with rising levels of job insecurity, arduous labour, extended working hours and work-related stress.

The post-war 'social settlement' based on full-time jobs, standard working hours and some minimal protection against exploitation has been dismantled. Some two-thirds of the workforce are now working irregular hours, often on very poor pay and with little or no protection, even legal protection, from sweatshop conditions. And this now includes a large proportion of white collar and professional workers, from clerical and secretarial workers to medical staff, teachers and lecturers.

Between 1978 and 1998, the number of part-time workers more than doubled, from less than one million to 2.1 million. Over 25

percent of the workforce are now part-time, compared to 15 percent two decades earlier. An estimated one million full-time jobs have been replaced by part-time work.

It is a myth that this shift is primarily voluntary, bound up with changing life-styles, family circumstances and studies. For both men and women the overwhelming reason for working part-time is work-related, either because there is not enough work available or the job is only offered as a part-time job. Over a quarter of part-time workers say they want more hours, but a far greater proportion would take more work if it were offered.

This is only part of the picture. By 1994 it was estimated that about one-quarter of Australian workers were casuals. The heaviest growth in casualisation came in agriculture, construction, retailing and hospitality, but workers in nearly all industries confronted this process. Among men, the proportion of casuals jumped from under 10 percent to nearly 21 percent between 1984 and 1997. For women, the rate rose from 26 to 32 percent.

Then there is temporary employment--short-term jobs. It rose from 16 to 24 percent of the labour force between 1983 and 1994, outstripping all other OECD countries for which comparable data are available, except for Spain (no figures exist for the United States).

Whereas some of the growth in permanent part-time work reflects the entry of more women into the workforce, and arguably has some positive aspects, the spread of casual and temporary work marks a shift to the most insecure, uncertain and poorly-paid forms of employment. Of all the new jobs created between 1984 and 1997, over 60 percent were casual, leading one research team to conclude: 'Casual employment arrangements have become 'typical' of the new jobs being created over the course of the 1990s.'

In addition, outsourcing, contracting out and body hire are sweeping through one industry after another. One survey found that one-third of firms had contracted out services between 1990 and 1995. The main areas were cleaning/laundry, building/maintenance and component manufacture.

The industries most affected were electricity, gas and water supply--67 percent of firms; construction--61 percent; education--60 percent; and mining--55 percent. The rate of contracting out was also highest in the public sector--more than half of the government business enterprises, statutory authorities

and state public service departments had done so.

Combined with this was the growth of agency workers who are hired or sub-contracted to employers by labour hire companies. The number of these workers doubled between 1990 and 1995 and the number of workplaces using them increased from 14 to 21 percent.

Manpower, one of the largest labour hire agencies, has doubled in size every five years, now assisted by an agreement with the ACTU. One of its rivals, Skilled Engineering, supplied contract labour to over half the country's top 100 companies, employs over 5,300 individual contractors and grew by 27 percent during 1995-96. Another operator, Drake Personnel, estimates that 30 percent of blue-collar workers in Victoria are being outsourced.

Many of these workers are no longer even classified as employees. As contractors, they have no guarantees of minimum wages, annual holidays, sick leave, injury compensation and safety conditions. Low-paid workers on individual contracts in Victoria can be on full-time incomes as low as \$232.50 a week--far below the austere official poverty line.

To this must be added the estimated 300,000 outworkers and their children toiling at home for clothing manufacturers. Often they are immigrants from non-English speaking backgrounds. Typically they work 12 to 18 hours a day, seven days a week, for less than a third of the award rate of pay. Now outnumbering the textile factory worker, 15 to 1, they operate in what ACIRRT terms 'an invisible labour market which had been under-reported by agencies such as the Australian Bureau of Statistics and hidden from public view and scrutiny'.

Such statistics can only provide a pale outline of the historic reversal taking place in the living and working conditions of the vast majority of people, let alone convey an idea of the impact on their lives. Perhaps one statistic sums up the historic sea change. In the early part of the nineteenth century a 12-hour day was the lot of most factory workers. It took more than a century for the working class to win the right to regular work, with shorter hours, penalty payments for 'anti-social hours' and annual vacations. By the 1960s most workers had these conditions. Today, only about one-third are full-time workers with these rights.

One measure of the human cost is work-related stress. Between 1990 and 1994, stress claims under workers compensation doubled, even though stress is one of the illnesses where workers seldom make claims, often using their sick leave or recreational leave to recover. Significantly, the industries with the worst records were health and community services, personal and other services, and education.

These changes are also producing an extreme polarisation of income and wealth. ACIRRT estimates that the average Australian employee took a \$67-a-week pay cut in real terms between 1982 and 1994, while incomes for the top 10 percent of pay earners rose by about \$100 a week.

Much of this gap is due to the fact that the majority of male workers, including those previously considered to be on 'good money' have been reduced to low wages. No less than two-thirds of the full-time male workers who, in 1982, used to earn between 75 and 125 percent of median earnings (that is, around the middle of the income scale) have now fallen below 75 percent of median

earnings.

In other words, most male workers are now taking home wages or other payments that are far below the privileged few who have benefitted from the processes of de-regulation, downsizing and outsourcing. Other surveys show that many of these male workers are now classified as the 'working poor'.

The newly-returned Howard government, acting at the behest of the major companies and financial institutions, has made the further slashing of wages and job security one of its highest priorities. It has reintroduced legislation to exempt small businesses from the token 'unfair dismissal' law and to maintain low wage rates for young workers.

Together with the states, the federal government has commissioned a report, widely leaked to the media, recommending the scrapping of all minimum wage rates and protective work conditions. The report by the right-wing think tank, the Institute for Private Enterprise, claims such measures would create 900,000 new jobs. The ACIRRT report demonstrates the types of jobs these would be.

Behind the scenes, the International Monetary Fund last month presented the Howard government with a review of the Australian economy that urged the government to slash minimum wages, and scrap provisions such as holiday pay loading and superannuation, in order to remove 'rigidities' from the labour market. Treasurer Peter Costello has not released the report publicly, perhaps because it would state too openly the agenda that is driving the government.

For its part, the Labor Party opposition is advocating a system of 'tax credits' that would effectively subsidise the payment of low wages. Unemployed workers and those on the lowest incomes would receive minimal welfare payments or negative income tax credits. These would not be enough to live on decently but would be set on a sliding scale designed to push these workers and their families into working under the new conditions being established by the profit system.

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