

# Australian Green Paper targets welfare benefits

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The Howard government in Australia has set welfare recipients as its next major target, with Family and Community Services Minister Senator Jocelyn Newman last week announcing a “comprehensive Green Paper on welfare reform”.

In an appearance at the National Press Club, Newman said a Reference Group would produce the Green Paper within a few months—by early next year, with a final report no later than June 2000. The report's basic thrust has already been determined. It will contain a fundamental shift in the welfare system, ending the social security entitlements of not only the unemployed but also single parents, the physically and mentally disabled and older jobless workers.

Prior to her speech, Newman announced she would issue a discussion paper containing detailed measures to slash welfare benefits. Prime Minister John Howard intervened at the last moment to halt the paper, but not before Newman and her staff had primed the media with selected leaks from her document.

Its contents were spelled out in a report in the Sydney's *Sun-Herald* on September 26, just three days before Newman was due to make her speech.

According to the newspaper: "The discussion paper outlines the most comprehensive agenda to overhaul welfare contemplated by a Federal government in decades. The aim of the changes would be to force many more welfare recipients to try to get paid work."

Based on information supplied by Newman's staff, the article declared:

\* Single parents would be cut off welfare payments when their youngest child turned 12 (currently 16).

\* Single mothers or fathers with younger children would have to demonstrate their willingness to work by attending compulsory career counselling sessions.

\* Single income couples with children between 12 and 16 would stand to lose their parenting allowance of a

minimum of \$60 per fortnight.

\* Disabled and older workers would face tougher eligibility tests.

Newman's spokesman told the *Sun-Herald* that the government would follow the United States and British welfare models. These have seen the Clinton and Blair administrations cut off welfare to many of the poorest and most disadvantaged sections of the working class, forcing them into low-paid, temporary and unskilled work.

In her Press Club speech, Newman confirmed that the Green Paper's main targets would be those on disability support pensions and single parent benefits. She singled out the two areas as having recorded the biggest jumps in welfare payments in recent years.

Almost 600,000 people were on disability pensions, double the figure of 10 years ago, she stated. People with “severe disabilities” would be protected but “rather than focussing on what people *can't* do, we should look at what people *can* do.” Newman spoke of requiring the disabled to undergo “individually-tailored assistance for rehabilitation and training and job placement”.

The Minister next pointed to the more than 600,000 people on sole parents' benefits, claiming there was “increasing dependence on Parenting Payment that is particularly prevalent among low-income families with children”. Indicating the scale of the cuts envisaged, Newman cited figures showing Australia had 57 percent of lone parents out of paid work, compared to an OECD average of 42 percent.

While focussing on these two areas, Newman suggested a wider campaign to force welfare recipients off benefits and into low-paid work. She said 2.6 million people of workforce age were on government income support payments—about 1 in 5—compared to 1.5 million or 1 in 7 a decade ago.

“No nation can afford to leave unchecked the waste, economic and social isolation that is the consequence of

welfare dependency,” she said. Australia had to match other governments in reducing welfare payments because it had to compete in a world where globalisation was an “irresistible phenomenon”.

Newman sought to whip up anti-welfare sentiment by declaring that welfare beneficiaries had to take jobs that fell short of their initial expectations. “It is neither fair nor moral to expect the hard working men and women of this country to underwrite what can only be described as a destructive and self indulgent welfare mentality.”

This “welfare mentality” is, first of all, the expectation that society has an elementary responsibility to care for those unable to work or find decent work. Secondly, it is the understanding among many working people that forcing the jobless into sweatshop labour will inevitably further undermine the wages and conditions of all.

Over the past decade, successive Labor and conservative governments have singled out the most vulnerable groups in order to initiate moves to dismantle the welfare state. Students—both tertiary and secondary—Aborigines and the young unemployed have suffered repeated cuts in payments, more severe “work tests” and tighter financial and eligibility requirements. The single unemployed, for example, are now forced to work for the dole and are paid \$18 a week less than aged pensioners, who are themselves receiving less than the official poverty line.

Newman's measures mark a new stage: the extension of this offensive across the entire social security system. Welfare will no longer be an entitlement for anyone, including sole parents, retrenched older workers, the disabled and retired workers.

When Howard stopped the publication of Newman's discussion paper, he was evidently concerned about the impact of such a far-reaching attack on welfare rights in the light of the deep discontent expressed in the recent Victorian state election. The ballot demolished the parliamentary majority of Premier Jeff Kennett—the politician who for seven years has spearheaded the gutting of social spending on services such as welfare, health and education.

Howard's concern is that the government's wider assault on the welfare state must be politically prepared and marketed. This includes the tried and tested mechanism of establishing an official inquiry. The government recently used a Green Paper to pave the way for drastic cuts in research and other funding to universities.

Nevertheless, Howard's intervention drew immediate condemnation from Rupert Murdoch's media empire. In

its editorial the *Australian* wrote: “The Federal government has had a nervous attack at the prospect of welfare reform. If this nervousness becomes chronic, it is the community that will suffer.”

The editorial said there had been enough discussion about welfare reform. It was time to get on with the “difficult business of specific proposals”. The government had to show “more courage” in cracking down on the disabled.

Keenly aware of the political sensitivity of the government's agenda, the two main parliamentary Opposition parties, Labor and the Australian Democrats, have called for the immediate release of the government's suppressed discussion paper. Neither have any fundamental disagreements with it.

Labor's spokesman Con Sciacca this week criticised the Howard government for increasing the welfare budget. Previously, Labor has endorsed the government's “work-for-the-dole” policy and in fact claimed credit for it, pointing to similarities with former prime minister Paul Keating's “Working Nation” program.

In recent months, federal Labor MP Mark Latham and Aboriginal lawyer Noel Pearson have made the loudest calls for the dismantling of welfare rights. In line with their counterparts in the British “New Labour” government of Tony Blair, they have argued that welfare causes poverty, rather than alleviating it.

Under the guise of assisting Aborigines and the poor to help themselves, they assert the need to make individuals bear responsibility for the prevailing social conditions. Writing recently in the *Financial Review*, Latham backed Pearson's declaration that the “central failing of Australia's welfare sector is that it operates under the suspicion that the poor are hopeless and that without growing State intervention the poor will remain helpless.”

Latham ruled out putting more money into welfare. “The first step in ending poverty is for welfare-dependent communities to rebuild the habits of self-help and achievement. This will not be achieved through pity or the material gifts of government.”



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