

# The end of the dole "as we know it" in Australia

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Australian Prime Minister John Howard has ended the year as he began it—by escalating the attack on welfare and the unemployed.

In January, Howard announced that his government would cut off unemployment benefits to all jobless young people between the ages of 18 and 24 who failed literacy and numeracy tests.

On December 17, he unveiled a plan to cut off benefits to a far broader layer of the unemployed. Those aged over 35 will be the only ones to escape sweeping new measures to force dole recipients onto work-for-the-dole schemes.

Howard chose the last Friday before Christmas Eve to foreshadow the proposed regime, due to commence immediately in the New Year. Asked on Australian Broadcasting Corporation national radio if Australia was moving toward the end of the dole “as we know it”, he replied:

“We are moving towards that situation. There's a view in the community that society owes people who can't get a job basic support and there should be a social security safety net. But there is equally a view that if people getting that support can do so, they should put something back.”

Employment Minister Tony Abbott fleshed out a few details of the new measures later in the day. All unemployment benefit recipients under 35 will be required to undertake some form of unpaid community work. Until now, forced labour was only demanded of the young unemployed. In addition, once recipients have been receiving the dole for six months they will have just six weeks, not three months as previously applied to the young unemployed, to move into a work-for-the-dole scheme or lose their benefits.

“We're going to get them into work for the dole or some other activity without mucking around or

procrastination,” Abbott said arrogantly. Automatic time triggers will apply to terminate payments.

Abbott announced 65,000 extra work-for-the-dole places, to be provided by 119 charities and other community organisations. Yet there are more than 600,000 unemployed. Most face simply being stripped of their benefits, particularly in working class and rural areas. Nationally the official unemployment rate is 6.7 percent, but it reaches 15 to 20 percent in outer suburbs and country regions.

Those who do not get places in work-for-the-dole schemes will be driven off benefits. The latest figures released this week showed that more than 30,000 people had been “breached” for failing to comply with the government's stringent guidelines for the unemployed. Most had their dole terminated for not attending interviews and seminars, but one in five lost benefits for failing to turn up to work-for-the-dole projects.

These latest measures expose Howard's pretence at the beginning of the year that the government's aim was to provide literacy and numeracy skills so that youth could find jobs. The actual aim is to punish and humiliate the jobless and dragoon them into low-wage jobs, able to be exploited at will by employers. Howard's announcement came within days of a call by his Liberal Party deputy, Treasurer Peter Costello, for the lowering of minimum wages in rural areas to reduce the jobless levels.

Costello took his theme further the day after Howard's interview. Speaking at the end of a G20 finance ministers meeting in Berlin, he forecast another financial crisis like the one that began in Asia in 1997. He insisted that the government had to “keep on moving faster” on economic changes.

Last week the government also made it harder for the

jobless, particularly the disabled and those with long-term difficulties, to get help in finding work. It moved to shut down what remains of Employment National, the government's job-placement agency formerly known as the Commonwealth Employment Service (CES). Abbott announced that Employment National had lost most of the tenders to provide intensive job search assistance for the long-term unemployed and disabled workers.

Finance Minister John Fahey then sacked Employment National's board, appointing Richard Grellman, a corporate recovery specialist, to oversee the agency's closure or restructure. Grellman quit 24 hours later after other job agencies accused him of having a conflict of interest. Grellman is vice-president of Mission Australia, a church-based agency that won the largest share of the recent job placement contracts offered by the government. If Employment National shuts its doors, Mission Australia could snare some of its remaining contracts.

The CES once employed about 4,500 public servants, charged with the responsibility of finding jobs for the unemployed. In 1997 the Howard government turned the CES into a state-owned business, Employment National, with only 750 permanent and 450 casual staff and encouraged corporate and charity agencies to undercut its services by bidding for the more lucrative aspects of its workload. The focus of the job placement network shifted further from assisting the unemployed to coercing them into cheap labour.

Labor Party leader Kim Beazley responded to Howard's latest announcement by saying the underlying philosophy of mutual obligation was fine, although the government had to be careful not to punish and create insecurity for the unemployed and their families. But the whole focus of "mutual obligation" is precisely to blame the jobless for their plight and give them no choice but to hunt for any kind of work, regardless of the conditions.

The Australian Council of Social Services (ACOSS) criticised the new measures. "There are no new programs to help unemployed people; there is no extra allowance to assist unemployed people look for work. There's nothing that gives them more than the \$162 [per week] they are having to struggle on," ACOSS president Michael Raper said. He contrasted the package with the 10 percent pay rise politicians had just

awarded themselves.

In a combined statement, seven other welfare agencies said the government ran the risk of creating a "vicious society" that blamed the jobless for the problem of unemployment. They pointed out that Howard's announcement was made on the final day for submissions to a government review of welfare services.

The review was initiated several months ago after Family and Community Services Minister Jocelyn Newman withdrew a welfare reform report at the last minute. Newman's blueprint, partly leaked to the media, included the abolition of benefits for single parents once their children turned 12 and the slashing of disabled workers' benefits. The resulting outcry forced the government to call off Newman's announcement, but Howard and his ministers are now proceeding with its contents.



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