

Life as a low-wage worker in Australia

Dirt Cheap, Life at the wrong end of the job market by Elisabeth Wynhausen, Macmillan, Sydney 2005

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In late 2002, Elisabeth Wynhausen, a senior journalist on Rupert Murdoch's *Australian*, took unpaid leave and began a nine-month undercover assignment in the ranks of the working poor. Her book, *Dirt Cheap, Life at the wrong end of the job market*, provides a glimpse of social reality for millions of people in casual and low-wage jobs, now the fastest-growing section of the Australian workforce.

Dirt Cheap was inspired by Barbara Ehrenreich's *Nickel and Dimed: On (Not) Getting By in America* (2001). At the urging of her publisher, Ehrenreich, a writer and newspaper columnist, worked a string of service and hospitality jobs in Florida, Maine and Minnesota. Her journalist's portrait of life on the minimum-wage—as a waitress, domestic cleaner, hotel room-attendant and Wal-Mart “associate”—for as little as \$2.30 an hour, became a national best-seller in the United States. The plight of the working poor, Ehrenreich concluded, was an epidemic “state of emergency”.

Dirt Cheap follows closely the format established by *Nickel and Dimed*. Over nine months Wynhausen worked seven minimum-wage jobs in Melbourne, Sydney, and the (fictionally-named) rural town of Greendale. The ground rules were basic. She would take the first “unskilled” job she was offered, stay there no longer than one month and try to get by on the same wage as her co-workers.

Wynhausen, as she reminds us, had all the advantages that low-wage workers lack: \$20,000 in the bank (in case of emergencies), and her own apartment and career as a senior journalist to fall back on. She was debt-free, had a working vehicle, good health, and no children to support. Yet life as a member of the working poor was harder than she imagined, and the 56-year-old journalist was forced to break many of her own rules along the way.

A sense of crisis pervades her account of life in the low-wage workforce. Pay cheques barely covered the cost of shelter, food and transport while “unexpected” items (including hormone-replacement therapy, a parking fine and money for work clothes) saw Wynhausen reaching for her credit card. Unlike those with whom she worked, the journalist could simply leave when things got too much. But many of her workmates struggled, both financially and emotionally, with the results of long-term poverty.

Dirt Cheap reveals the far-reaching social consequences of low-wage employment—affecting everything from health to housing.

“Housing stress,” the combined result of high property values and low incomes, forced Wynhausen to fork out more than half her pay for shelter (including a hotel room in Melbourne, and a Bed & Breakfast outside Greendale). Low-cost accommodation was virtually non-existent. Even caravan parks were geographically and financially off-

limits, swallowed up by the property boom. Wynhausen's co-workers found the cheapest housing in Sydney and Melbourne's suburban outskirts, travelling hours each day to and from work.

The overall picture is one of workers struggling to keep lives together against seemingly insurmountable odds. Wynhausen cites Bureau of Statistics figures showing that 45 percent of the poorest fifth of Australia's population cannot afford to take a holiday for at least one week a year and a third cannot afford a night out once a fortnight. Wynhausen met workers whose health problems were left untreated, and sick and elderly people forced by financial circumstances to remain in back-breaking jobs. Others stayed in abusive relationships for reasons that were clearly economic.

At the start of the 1990s, social commentators in the US, Australia and Britain spoke of the “working poor” almost as if it were an oxymoron. But today, as *Dirt Cheap* makes clear, poverty as a result of low-wage jobs has become a way of life for millions. “As the new millennium dawned,” Wynhausen writes, “[n]othing had grown faster than the number of jobs that offered no sick pay, no holiday pay, and no job security beyond the next shift. Nearly nine out of ten jobs created in ten years of almost uninterrupted growth paid less than \$26,000 a year, half paid less than \$15,000.”

Wynhausen was paid just \$12.95 per hour at her first job on assignment, as a food and beverage attendant for an exclusive Sydney club. This equates to just \$25,589.20 per year, which, she remarks, is less than what shopping centre magnate Frank Lowy earns in a day. But 40 percent of the workforce now earns even less. A chicken factory on the outskirts of Sydney offered an extra \$2.55 per hour but, as Wynhausen explained, “more than 500 people had already applied”. In Greendale, where Wynhausen took the only job on offer, at an egg processing plant sorting 42,000 eggs per day in a rural sweatshop, the workers were paid an hourly rate of just \$13.70.

With wages so low, growing numbers of workers are being forced to hold down more than one job. In Australia, 5 percent of all workers, and 10 percent of workers in casual positions hold down two jobs or more. Strapped for cash, Wynhausen tried the same, working as a hotel attendant during the day and an office cleaner at night, but was unable to last more than a few days. She quit from exhaustion.

Australia has one of the highest rates of casual employment in the world—one quarter of all employees—and Wynhausen experienced some of the results. As a casual shop assistant and, later, working in two nursing homes in Sydney's north-western suburbs, she had no regular hours from one day to the next. “The company's hold over casual employees was a reversion to the days 70 or 80 years ago when

men went to union halls and wharves and stood around waiting to see if they would get work that day.” She notes, “The big retailers had tidied up the process so that management barely had to deal with the messy human element.”

Dirt Cheap highlights how vast have been the changes to working life during the past two decades. She reveals working environments that are draconian, with basic safety and legal protections routinely ignored. A regime of “hypocrisy and deceit” was the modus operandi when it came to employers’ legal obligations toward staff. At Greendale’s chicken and egg factory, the employees’ safety induction consisted of being told to read a training manual whose procedures bore absolutely no relation to the hazardous and Dickensian conditions on the shop floor.

Wynhausen shows how “labour market flexibility” has been accompanied by a climate of fear and intimidation. In a Melbourne hotel where she worked briefly as a breakfast attendant, the hotel’s management installed security cameras in all work areas. “You can’t have an opinion in the workplace,” a young receptionist warned Wynhausen at the club where she worked in Sydney, while another employee told her not to trust fellow staff, remarking, “if this was a war, the whole place would be full of spies and collaborators”.

Wynhausen records many of the ways in which economic deregulation and the collapse of the old Labor and trade union organisations has led to the growth of individualist attitudes. When one worker told the journalist she intended to vote Liberal, Wynhausen was shocked, replying “How can you, Antigone? You’re a working woman.” Antigone rejected the term “working woman” as a slight, telling Wynhausen, “I work for myself”.

Wynhausen is similarly aghast when the millionaire owner of the plant addresses a factory meeting telling the workers the egg division will be sold—but they shouldn’t worry, because worrying will get them nowhere. Wynhausen describes the reaction of her co-workers, who look on in silence: “I had understood the lack of confidence behind the hard exteriors, but seeing them standing mute in front of the boss was like seeing them stripped of all defences.”

Wynhausen’s account depicts workers as passive victims, because she is unable to provide any account of how the situation has arisen.

In reality, the absence of any challenge by the workers to the factory closure is bound up with the role of the unions. For more than two decades, they have enforced closures and cutbacks in wages and conditions on every section of the working class. Only a few pages earlier, Wynhausen describes a union meeting at the plant, attended by only eight out of the fifty employees. She records the union organiser berating the members, saying, “Youse don’t know the things I do for youse.” According to Wynhausen, the union official referred to the millionaire owner of the company “as if they were on comfortable first-name terms. This part of the performance was even more disconcerting in retrospect, when it became clear that the company was about to dump the workers.”

Wynhausen is shocked by the Liberal-voting kitchen-hand and the low turnout at the union meeting. But both instances are revealing—they reflect the alienation of workers from the Labor Party and the trade unions and the recognition, based on bitter experience, that they cannot defend their interests through these old organisations.

The past 20 years has seen a revolution in the forms of capitalist production, associated with globalisation. Huge transnational corporations scour the globe for the cheapest sources of raw materials and labour, carrying out integrated production processes across national boundaries and shifting production facilities to the most

attractive sites for investment and profit. The program of deregulation and micro-economic reform imposed throughout the 1980s and 1990s reflected the new requirements of global capital and the Labor Party and the unions became its chief executors, ruthlessly breaking workers’ resistance in one bitter conflict after another.

Wynhausen briefly touches on the role of the unions as enforcers of company policy. Her chapter on life as a retail assistant notes the “cosy relationship” between the Shop Distributive and Allied Employees Association and big business. Her induction trainer at a large retail outlet in Sydney told the journalist that the company actively encouraged employees to join the union. “When larger groups of employees went through training, the store gave the union half an hour to sign them up, then deducted union dues from their pay packets (an arrangement some unions call check-off). It was obvious what the company got back—the union was so cooperative one struggled to remember the last time there was a peep out of shop assistants increasingly contending with split shifts and shorter call-in times.”

But Wynhausen does not make clear that the collaborationist character of the trade unions stems, not simply from individual betrayal or cowardice, but from the collapse of the national reformist program on which they were based. Yet it is only from this standpoint that the present crisis of perspective in the working class can be grasped.

Dirt Cheap charts territory that is uniformly ignored by the mass media and political establishment. Wynhausen depicts something of life for those scraping by on low-wage and casual jobs, and her observations are drawn with sensitivity and honesty. She scolds commentators (including the *Australian’s* Paul Kelly) who condemn attempts to even up the widening inequalities as “nostalgia for pre-80s egalitarianism”.

Unable to understand the basic economic and political driving forces for the changes she depicts, however, Wynhausen cannot advance an alternative. She has no suggestions to offer to reverse the tide. Instead, she lamely concludes her book with a plea for understanding of “what it is to spend your working hours unappreciated, underpaid and unseen”.



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