

Australian government to stop welfare payments to teenage mothers

Tania Baptist
29 June 2011

In a trial scheme to begin next January, the Gillard Labor government will strip teenage mothers in disadvantaged communities of welfare payments for failing to comply with compulsory “participation” obligations once their babies are just six months old.

The attack on one of the most vulnerable groups in society is part of a raft of measures announced in Prime Minister Gillard’s first budget aimed at forcing the disabled, the long-term unemployed, and single mothers off welfare and into the workforce, where they will become a new source of cheap labour.

The measures mark a new stage in the decades-long assault on the social security safety net which was fought for by the working class in the post-war period. Sole parent benefits were, in 1973, the last form of welfare payments introduced, following student, unemployment and disability benefits. They are now being targeted as one of the first to be eliminated as the corporate elite demands a social reversal in the wake of the global financial crisis.

The trials will be conducted in 10 areas chosen specifically for their high rates of unemployment and welfare recipients. These include Hume and Shepparton in the state of Victoria; Bankstown, Wyong and Shellharbour in New South Wales; Rockhampton and Logan in Queensland; Playford in South Australia; Burnie in Tasmania; and Kwinana in Western Australia.

The program will affect some 4,000 parents, predominantly mothers, aged 19 or under who receive the Parenting Payment. When their baby turns six months old, they will be required to attend so-called

support and engagement interviews at the government’s Centrelink agency. They will be forced to develop a “participation plan” which will include compulsory activities designed to ready them for the workforce, including placing their one-year-old infants in childcare while they finish secondary school, or engage in other training or paid work. Attendance at regular interviews will be mandatory until the parent completes Year 12 or its equivalent, or their child turns six years old, when they will then be obliged to look for work.

If the parents do not undertake any of these activities without a providing a “reasonable excuse”, they will be “breached”, resulting in their already inadequate payments being suspended, leaving them and their children without income for basic necessities. Only once they “re-engage” with Centrelink will they be back-paid their entitlements.

In order to satisfy these requirements, young parents will face substantial costs, particularly for childcare. A mere \$47 million has been allocated over four years to provide childcare rebates and to fund outsourced case management assistance for those enrolling in and attending school, TAFE or other training, parenting classes and mentoring and support groups.

The Gillard government claims that these programs will provide teenage parents with the support they need to “go on and get a good job” to enable them to better provide for their children. This is a complete sham. One need only examine the abysmal social conditions in the areas chosen for the trials to understand the difficulties these young parents confront.

In the working class suburb of Broadmeadows in Melbourne's outer north, which is targeted in the Hume trial, decades of de-industrialisation, factory closures and job losses have resulted in an official unemployment rate of 15.9 percent, more than three times the national average. Youth unemployment stands at 53.4 percent, almost twice the state average of 28 percent.

Far from having any intention of addressing the lack of decent employment in these areas, the Labor government has been collaborating with companies and trade unions in the destruction of jobs and conditions since coming to office in 2007. In April, when Ford Australia announced that it would axe 240 jobs at its Broadmeadows plant, the government promised to "work closely with Ford... to move quickly through this period of adjustment."

In truth, the government's trial is designed to ensure that teen parents have the basic skill level demanded by employers for the low-paid, casual and dead-end retail and services jobs which are all that are on offer.

Young mothers will now be forced to place their own babies in childcare regardless of whether either of them is emotionally or psychologically ready for such a separation, or whether they are satisfied with the quality of childcare available.

In addition, young parents in such situations will face practical challenges due to their restricted financial circumstances, such as limited access to computers and internet, textbooks and supplies, and unsuitable housing arrangements. In order get their children to childcare and attend training, they will have to use expensive, unreliable public transport services. Even a minor calamity causing them to miss a mandatory activity could trigger a payment suspension.

Kerry Davies, a project worker at the single-mother self-help group, the Council for Single Mothers and their Children, told the WSWS: "It will increase stress which will manifest in people's ability to parent. And obviously peoples' ability to parent will have a direct impact on very young children who are being parented and this is why we are completely against all of these

punitive compliance measures." (See the full interview)

Opposition to the measures from many of the major welfare organisations has been notably restrained. Having become integrated into the welfare regime through their provision of outsourced job network services, they have accommodated to or agree with the pro-market agenda underpinning the government's policies.

The Labor government's objective is to increase business profitability and make Australian capitalism "internationally competitive" in order to attract globally mobile capital. The systematic dismantling of the welfare system will facilitate the lowering of business tax rates, while at the same time expanding the pool of exploitable labour, using those cut off welfare to leverage to drive down the wages and conditions of the working class as a whole.

The rationale driving the government's stated goal of "breaking the cycle of welfare-dependency" is not that of helping the impoverished, but of eliminating the basic right to welfare altogether.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact