

Australian PM's phony job creation claim

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During her address to the National Press Club on January 31, when she announced a September 14 election, Prime Minister Julian Gillard made a cynical pitch to working people concerned about the “pressures on living standards”. She said: “Nothing matters more than the jobs of working people,” before claiming that the Labor Party had created 836,000 jobs since taking office in 2007.

Gillard's speech will do nothing to convince the hundreds of thousands of unemployed, or the many more fearful of losing their jobs, that the Labor government stands for “opportunity” and “fairness”. Facing electoral oblivion, the only purpose of her remarks was to somehow revive the lie that the Labor Party represents a “lesser evil” as compared to the opposition Liberal-National coalition.

From any angle, the job creation claim is a fraud. Gillard's number crunchers arrived at the figure simply by subtracting the size of the workforce in 2007 from the latest Australian Bureau of Statistics (ABS) estimate. No account was taken of population growth or the many factors affecting workforce participation.

The raw number of 836,000 also says nothing about the type of jobs being created. Increasingly, they are badly-paid, temporary or part-time. Indeed, the ABS counts as “employed” anyone who has worked for an hour or more in a week. As a result, one of Gillard's “jobs” might be someone stacking shelves in supermarkets for an hour or two, or working a shift for a fast food chain.

As for the pretence that the Labor government, or indeed any of the state governments, has “created” jobs, the opposite is the case. To meet the demands of finance capital for “fiscal responsibility”, governments, Labor and Liberal alike, have been engaged in a relentless drive to slash public sector jobs, at the same time gutting the essential health, education and welfare services on which working people rely.

In the private sector, the Labor government, along with the trade unions, has backed the unremitting drive by big business to restructure and slash costs at the expense of the jobs, conditions and entitlements of workers. Tens of thousands of jobs have been destroyed in every sector—manufacturing, retail, services and now mining. Not a week goes by without announcements of further job cuts and plant closures.

The tidal wave of job losses continued in January. Building supply company Boral, communications provider Vodafone and steelmaker BlueScope Steel axed 1,000 jobs between them. Caterpillar Underground Mining in Tasmania announced another 100 metal job losses, adding to the small state's jobless figure of 20,000, or 7.3 percent.

The prospects for manufacturing are especially grim. The latest Australian Industry Group Performance of Manufacturing Index dropped by 4.1 points to 40.2 in January, even further below the 50-point level that demarcates expansion from contraction. Manufacturing has now contracted for 11 months in a row.

Unemployment statistics, not “jobs created” claims, are a better indication of what is facing the working class. According to the official ABS data, joblessness in 2007 stood at 4.6 percent and remained at that level until mid-2008. It rose sharply to 5.7 percent in 2009, after the global financial crisis hit, and has remained mostly over 5 percent ever since. In other words, the unemployment rate has not returned to the 2007 figure.

Even on the official figures, more than 600,000 people are currently looking for work, or around four for every job vacancy. In Tasmania, eight people compete for every vacancy. The ratio is 3.9 to 1 in Victoria, 4 to 1 in NSW, and 4.3 to 1 in Queensland. For young people aged 15 to 19, the situation is far worse. In January, their unemployment rate was 26.1 percent, up from 25.1 percent in September.

A more accurate picture is provided by the Roy

Morgan polling company, which uses a less restrictive definition than the ABS of workforce participation. Its latest survey in December estimated that 1.176 million people, or 9.6 percent of the workforce, were unemployed, and that 2.354 million, or 19.2 percent, were either unemployed or under-employed (i.e. wanting more work).

In January, J P Morgan explained that 20,000 additional jobs were needed every month just to maintain the current official unemployment level of 5.4 percent, adding “we don’t think, considering the structural and fiscal headwinds facing it, the economy can produce that many jobs.” The company predicted that unemployment would hit 6 percent by mid-year.

At the same time, employment will be more uncertain and unstable as the shift to part-time, contract and casual jobs continues as part of pro-market restructuring. The most recent ABS figures show that nearly 2.2 million people, or more than 20 percent of the total workforce, are in casual jobs. In accommodation and food services, the figure is 65 percent.

Not only can casuals be called in at any time and have their hours arbitrarily reduced, they are not entitled to paid holiday leave, leave loading, long service leave, sick pay and many other benefits associated with full-time work. The hourly rate in retail, hospitality, call centres and aged-care is just \$17 to \$23.

When contract workers are added to casuals, according to the trade unions, the overall figure for those not employed permanently is even higher—about 40 percent of the total workforce. The use of casual and contract labour is expanding in professional occupations, with the largest growth now occurring in the media and communications industry. National Tertiary Education Union data shows that casuals make up over 40 percent of the workforce in Australia’s universities.

The situation is set to rapidly worsen amid further signs that the mining boom is ending, compounding the recessionary tendencies throughout the rest of the economy. Far from “creating jobs”, the Labor government is determined to convince the corporate elite that it will implement the austerity and restructuring agenda being demanded. In her speech, Gillard pledged to take “tough, hard decisions” and impose major “structural savings” in the upcoming

May budget. In other words, the essential social needs of tens of millions of ordinary working people will again be sacrificed to maintain the profits of big business.

The basic social right to a decent, secure job can only be advanced in a political struggle against the profit system and all of its defenders, including the Gillard government and the trade unions. That requires the independent mobilisation of workers to defend every job as part of the broader fight for a workers’ government and socialist policies, including the nationalisation of major corporations and banks under the democratic control of the working class.



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