

Australian jobs figures show expansion of part-time work

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21 June 2016

Official figures for April, released last Thursday, showed that while the headline unemployment rate remained unchanged at 5.7 percent, there was a further underlying shift from full-time to lower-paid part-time work.

During the month, the number of part-time positions rose by 70,000 but the number of full-time jobs dropped by 27,000, making it the fourth monthly decline in a row. Full-time employment has now fallen by about 60,000 since last September, when Prime Minister Malcolm Turnbull ousted his predecessor, Tony Abbott.

This trend has gathered pace over the past year, pointing to the reality beneath the claims being made by both the Liberal-National Coalition government and the Labor opposition during the campaign for the July 2 election of a “transition” from the mining boom to a “new economy.”

Behind the deceptive slogans of “jobs and growth” (Coalition) and “growth with fairness” (Labor), tens of thousands of full-time jobs are being destroyed, particularly in mining and construction. A new “normal” has emerged—growing numbers of workers being forced to take part-time jobs, which are invariably less secure, worse-paid, often casualised and with inferior conditions.

The Australian Bureau of Statistics (ABS) commented that a clear trend was developing. “This is the 11th consecutive month with part-time employment increases of more than 10,000 persons, and fourth consecutive month with full-time employment decreases of more than 5,000 persons,” its spokesman said.

Longer-term statistics show that the shift to part-time work, at the expense of full-time jobs, began in 2008, the year of the global financial crisis. But the trend has

deepened as the impact of that economic breakdown has been felt increasingly in Australia via depressed iron ore, coal and other commodity export prices, and a drying up of investment.

Westpac bank senior economist Justin Smirk noted that in the year to May, part-time employment expanded by 4.4 percent, or 160,000 jobs. By contrast, full-time employment grew by just 1.0 percent, or 83,800 jobs, which is not enough to match population growth, and has begun to go into reverse in recent months.

By the ABS estimates, the unemployed are also increasingly giving up looking for full-time jobs, with the number searching for full-time employment falling 6,200, while those looking for part-time work increased by 7,200. There was also a 4 percent decrease in total working hours, the fourth consecutive monthly drop, pointing to an overall decline in workers’ incomes and living standards.

The ABS figures understate the jobless rate because they exclude those working more than an hour a week. Roy Morgan Research surveys indicate a significantly worse situation, with 1.369 million workers unemployed and seeking work (10.7 percent) and 947,000 under-employed (7.4 percent), making a total of 2.316 workers (18.1 percent) either jobless or looking for more work.

According to Roy Morgan’s statistics, those looking for full-time work—661,000—are now outnumbered by those seeking part-time work—708,000. This is further evidence of a sharp turn since last December, when those seeking full-time work—722,000—substantially exceeded those looking for part-time jobs—534,000.

Over coming months, the destruction of full-time jobs is certain to accelerate as the global slump worsens and further closures tear through mining projects, the auto

sector and other basic industries.

“Welcome to the new part-time economy,” Commonwealth Bank of Australia (CBA) senior economist Michael Workman commented.

Another CBA representative, Michael Blythe, pointed to a switch from mining to services industries, leading to falling incomes. “Typically all those service jobs pay less than those mining and construction jobs, where a lot of the employment losses have been, so you’re getting that lower-income effect coming through,” he said.

Over the past three years, according to ABS figures, mining employment has fallen by 36,500, manufacturing jobs by 13,100, public safety and administration jobs by 31,700 and employment in utilities by 11,600.

Over the same period, employment in real estate has climbed 32,400, and finance jobs by 5,600, largely reflecting the housing bubble that is now threatened by an emerging glut of apartments in Sydney, Melbourne and Brisbane.

Employment has primarily grown in service industries where temporary, casual, part-time and contract jobs are prevalent. Employment has risen in healthcare and social assistance by 136,400, retailing 86,200, construction 25,500 and professional, scientific and technical services 110,000.

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This shift, combined with the lowest wages growth for at least two decades, has produced a protracted decline in working class incomes. And because of the falling export prices and value of the Australian dollar, real per-capita national disposable income is now lower than 2008.

Treasurer Scott Morrison hailed the April result, saying it reflected the Coalition government’s economic management. “What this continues to show is a strong jobs performance,” he said. “That is the key. When people have a job, they have confidence. When they have confidence, they are participating in the economy and they are spending and businesses are investing.”

Behind this rhetoric, the corporate elite regards the jobs crisis as an opportunity to force unemployed workers, especially the quarter of a million young people out of work, into cheap labour. For the election,

both the Coalition and Labor have unveiled programs for unemployed youth, essentially designed to use them to drive down wages and conditions across the board.

Labor leader Bill Shorten yesterday unveiled a scheme, cynically titled “Working Futures,” to subsidise employers to place young people who have been unemployed for a year on six-month placements at a minimum award-equivalent training wage. Few details have been provided but the plan seems little different from the government’s proposed Youth PaTH internships, which will force youth on unemployment benefits to work 25 hours a week for an extra \$100 per week payment—effectively \$4 an hour.

The corporate and government assault on jobs, conditions and living standards is part of a worldwide offensive against the working class. It can be opposed only through the fight for a workers’ government that will implement far-reaching socialist policies. In its election statement, the Socialist Equality Party calls for a vast redistribution of wealth to secure the social rights of all, including the right to a stable and decent-paying job.

To contact the SEP and get involved, visit our web site or Facebook page.

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